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O-NET COMMUNICATIONS (GROUP) LIMITED

昂納光通信（集團）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 877)

POSITIVE PROFIT ALERT

This announcement is made by O-Net Communications (Group) Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review of the management accounts of the Group for the six months ended 30 June 2010, the Company’s unaudited consolidated profit attributable to equity holders for the six months ended 30 June 2010 is expected to exceed the profit forecast as disclosed in the prospectus of the Company dated 19 April 2010 (the “**Prospectus**”) due to the substantial increase in the sales volume and improvement in gross profit margin of the products in the Group’s core business.

The information contained in this announcement is based on the management accounts of the Group and the information currently available to the Board. As at the date of this announcement, the Company’s consolidated results for the six months ended 30 June 2010 have not yet been finalised, and are subject to audit by the Company’s independent external auditors and, if required, necessary adjustments. Investors are advised to read carefully the profit forecast and other relevant information contained in the Prospectus and the audited interim results announcement of the Company for the six months ended 30 June 2010 which is expected to be published on or about 10 August 2010.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
O-Net Communications (Group) Limited
Kung Sze Wai
Company Secretary

Hong Kong, 15 July 2010

As at the date of this announcement, the executive Directors are Mr. Na Qinglin and Mr. Xue Yahong, the non-executive Directors are Mr. Tam Man Chi, Mr. Chen Zhujiang and Mr. Huang Bin and the independent non-executive Directors are Mr. Deng Xinping, Mr. Bai Xiaoshu and Mr. Ong Chor Wei.