

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



eCyberChina Holdings Limited

光訊控股集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00254)

**VERY SUBSTANTIAL ACQUISITION,
PLACING OF NEW SHARES
AND
RESUMPTION OF TRADING**

Financial Advisor and Placing Agent

TANRICH

Tanrich Capital Limited

VERY SUBSTANTIAL ACQUISITION

The Board is pleased to announce that on 3 April 2008, the Purchaser, being a wholly-owned subsidiary of the Company, entered into the Agreement (as supplemented on 14 April 2008) with the Vendor pursuant to which the Purchaser has agreed to acquire and the Vendor has agreed to sell and procure his spouse to sell the Sale Shares for a total consideration of HK\$240,000,000 subject to and upon the terms and conditions of the Agreement.

The Target has on 1 January 2008, entered into the PRC Subsidiary Acquisition Agreement with the existing shareholders of the PRC Subsidiary pursuant to which the Target will acquire the entire equity interests of the PRC Subsidiary upon completion of PRC Subsidiary Acquisition Agreement. The PRC Subsidiary is principally engaged in the advertising business in the PRC.

The Acquisition is subject to the satisfaction of the conditions as set out in the paragraph headed “Conditions precedent” below.

The Acquisition constitutes a very substantial acquisition on the part of the Company under Rule 14.06 of the Listing Rules. A circular containing, among other matters, further details of the Acquisition and notice of EGM, will be despatched to the Shareholders as soon as practicable and in compliance with the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Acquisition and therefore would require to abstain from voting at the EGM.

PLACING OF NEW SHARES

On 3 April 2008 the Company entered into the conditional Placing Agreement with the Placing Agent for the placing of up to an aggregate of 80,000,000 new Shares to the Placees at the Placing Price of HK\$0.20 per Placing Share.

The Placing Shares will be allotted and issued to the Placee(s) and represent, in aggregate, (i) approximately 8.25% of the existing issued share capital of the Company, and (ii) approximately 7.62% of the issued share capital of the Company as enlarged by the Placing.

The gross proceeds of the Placing will amount to approximately HK\$16 million and the net proceeds receivable by the Company under the Placing are estimated to be approximately HK\$15 million after deducting the placing commission and all costs, fees and expenses to be borne by the Company. It is expected that the net proceeds will be applied towards the general working capital of the Group.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 3 April 2008 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 16 April 2008.

Reference is made to the announcements of the Company dated 17 January and 7 April 2008 in relation to, among other matters, the termination of the Original Agreement and the entering into of the Agreement and the Placing Agreement.

THE AGREEMENT

Date: 3 April 2008 (as supplemented by the supplemental agreement dated 14 April 2008)

Parties: (1) Purchaser : Konmate Investments Limited, a wholly owned subsidiary of the Company; and

(2) Vendor : Lo Chun Chung Johnny, an Independent Third Party.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor, the Target and its ultimate beneficial owners are Independent Third Parties.

The Vendor is a merchant. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Vendor and his associates do not hold any Shares or other securities in the Company.

The Target is a company incorporated in the British Virgin Islands and is principally engaged in investment holdings and provision of advertising services. The Target is wholly and beneficially owned by the Vendor and his spouse in equal share.

The Purchaser, being a wholly owned subsidiary of the Company, is an investment holding company incorporated in Hong Kong.

Save as disclosed in the announcement of the Company dated 17 January 2008, there was no previous transaction between the Company and each of the Vendor and the Target which will require aggregation under Rule 14.22 of the Listing Rules.

Assets to be acquired

Pursuant to the Agreement, the Purchaser has agreed to acquire and the Vendor has agreed to sell and to procure his spouse to sell the Sale Shares, representing the entire issued share capital of the Target.

Upon Completion, the Target will become a 100% wholly owned subsidiary of the Company and the financial results of the Target will be consolidated with that of the Group.

Consideration

The aggregate consideration for the Sale Shares is HK\$240,000,000 and shall be settled by the Purchaser in the following manner:

- (a) HK\$40,000,000 shall be payable by the Purchaser to the Vendor (or his nominee) on Completion by procuring the Company to allot and issue 50,000,000 Consideration Shares credited as fully paid at Issue Price to the Vendor (or his nominee); and
- (b) the balance of HK\$200,000,000 (the "**Balance**") shall be payable by the Purchaser to the Vendor (or his nominee) by procuring the Holdings (i) to allot and issue 200,000,000 Consideration Shares (the "**Remaining Consideration Shares**") credited as fully paid at Issue Price to the Vendor (or his nominee) as provided in the Agreement; and (ii) to issue the Convertible Bonds of principal amount of HK\$40,000,000 to the Vendor (or his nominee) provided that the Actual EBITDA of the Target Group for the Guaranteed Financial Year is equivalent or more than the Guaranteed EBITDA. For the avoidance of doubt, if the Actual EBITDA of the Target Group for the Guaranteed Financial Year is less than the Guaranteed EBITDA, the Purchaser's obligation to pay the Vendor the Balance is deemed to be satisfied and fulfilled and the Company shall not be required to allot and issue the Remaining Consideration Shares to the Vendor (or his nominee) or issue the Convertible Bonds.

Within one month from the date of entering into the Agreement (or such longer period as the parties thereto may agree), the Purchaser shall advance a sum of up to HK\$16,000,000 (the "**Loan**") to the Target for the purpose of the PRC Subsidiary Acquisition at the discretion of the Purchaser upon the request of the Vendor. The Loan is advanced by the Purchaser for the sole purpose of the PRC Subsidiary Acquisition and will become intra-Group loan after Completion. In the event that Completion cannot take place as stipulated herein on or before 7 July 2008 (or such other date as the parties thereto may agree), the Purchaser shall have the right to demand for immediate repayment of the Loan and the Vendor shall procure the Target to duly repay the Loan.

Since the applicable percentage asset ratio of the Loan exceeds 8% of the total assets of the Company, the advancement of the Loan contemplated under the Agreement is required to be disclosed by way of announcement under Rule 13.13 of the Listing Rules. The Loan shall bear no interest. There is no collateral for the advancement of the Loan.

The consideration for the Acquisition was determined after arm's length negotiations between the parties to the Agreement after taking into consideration of various factors, including but not limited to the prospect in advertising business in the PRC. The prospect in advertising of the PRC can be illustrated from the fact that as disclosed in its unaudited management accounts, the PRC Subsidiary has net profit of more than RMB16,000,000 for the period from 25 May 2007, the date of its establishment, to 31 December 2007. The consideration for the Acquisition represents a price earning multiple of approximately six (6) times of the Guaranteed EBITDA. Taking into consideration of the belief of the Directors that the Acquisition will provide stable income source for the Group and the prospect in advertising business in the PRC, the Directors (including the independent non-executive Directors) therefore consider that the terms and conditions of the Acquisition to be fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The total consideration for the Acquisition of HK\$240,000,000 is for the acquisition of the 100% of the equity interests in the Target as compared to the total consideration of HK\$190,000,000 for the acquisition of 51% of the equity interests in the Target under the Original Agreement. In addition, the consideration for the Acquisition under the Agreement will all be settled by way of the issue of the Consideration Shares and Convertible Bonds and no cash is payable by the Group under the Agreement. In this regard, the Directors consider the terms of the Acquisition to be fair and reasonable.

Conditions precedent

Completion shall be conditional upon and subject to:

- (a) the Purchaser being satisfied with the results of the due diligence review to be conducted on the assets, liabilities, operations and affairs of the Target Group within thirty (30) Business Days following the signing of the Agreement (or such longer reasonable period as may be agreed between the parties hereto);
- (b) all necessary governmental and other consents and approvals required to be obtained on the part of the Vendor and the Purchaser in respect of the Agreement and the transactions contemplated thereby having been obtained, including but not limited to the approval from the necessary PRC authorities;
- (c) if necessary, the passing by the Shareholders at the EGM to be convened and held of an ordinary resolution to approve the Agreement and the transactions contemplated hereunder;
- (d) the obtaining of a PRC legal opinion (in form and substance satisfactory to the Purchaser) from a PRC legal adviser appointed by the Purchaser in relation to the Agreement and the transaction contemplated thereby, including but not limited to the due completion of the PRC Subsidiary Acquisition and such other matter as may be reasonably required in relation to the business to be carried out by the Target Group;
- (e) the warranties under the Agreement remaining true and accurate in all material respects;

- (f) completion of the PRC Subsidiary Acquisition to the satisfaction of the Purchaser; and
- (g) completion of the placing of not less than 80,000,000 Shares.

In the event the condition referred to above not being fulfilled by 5:00 p.m. on 7 July 2008 (or such other time and date as may be agreed by the parties thereto), all rights, obligations and liabilities of the parties thereunder shall cease and determine and neither party shall have any claim against the other, save for any antecedent breaches of the terms thereof.

It is not expressly provided in the Agreement whether the conditions above can be waivable or not. The Company has no intention to waive any above conditions.

Completion

Completion shall take place on the sixth Business Day (or such other date as may be agreed by the Vendor and the Purchaser) after the satisfaction of the conditions set out above.

Upon Completion, the Target will become a wholly owned subsidiary of the Company.

EBITDA GUARANTEE

The Vendor warrants and guarantees to the Purchaser that the audited consolidated EBITDA of the Target for the whole financial year commencing from the Completion Date and ending on the date immediately before the first anniversary of the Completion Date (the “**Guaranteed Financial Year**”) will not be less than US\$5,000,000 (the “**Guaranteed EBITDA**”).

If the actual audited EBITDA (the “**Actual EBITDA**”) of the Target Group for the Guaranteed Financial Year is equivalent or more than the Guaranteed EBITDA, the Purchaser shall procure the Company to (i) allot and issue the Remaining Consideration Shares credited as fully paid at the Issue Price to the Vendor (or his nominee); and (ii) issue the Convertible Bonds to the Vendor (or his nominee).

In the event that the Actual EBITDA is less than the Guaranteed EBITDA, subject to further mutual agreement between the parties thereto and at the sole discretion of the Purchaser, the Purchaser may grant an additional period of not more than six months to the Guaranteed Financial Year to allow the Target to achieve the EBITDA Guarantee. For the avoidance of doubt, that is subject to further mutual agreement and the sole and absolute discretion of the Purchaser and such grace period may or may not be granted.

For the avoidance of doubt, if the Actual EBITDA is still less than the Guaranteed EBITDA, at the sole and absolute discretion of the Purchaser, the Purchaser may procure the Company to issue part of the Remaining Consideration Shares and/or the Convertible Bonds to the Vendor (or his nominee).

The Vendor may, at its own costs and expenses, prior to the expiry of the Guaranteed Financial Year, requests the auditors of the Company from time to time to certify the EBITDA of the Target Group for the period from the Completion Date to the date of request and in the event that the EBITDA Guarantee would have been met as shown in such auditors certificate, the Purchaser shall procure the Company to (i) allot and issue the Remaining Consideration Shares credited as fully paid at the Issue Price to the Vendor (or his nominee); and (ii) issue the Convertible Bonds to the Vendor (or his nominee).

THE CONSIDERATION SHARES

The Consideration Shares will be issued at the Issue Price of HK\$0.8 per Consideration Share, credited as fully paid. The Consideration Shares, when allotted and issued, shall rank pari passu in all respects with the Shares then in issue on the date of allotment and issue of the Consideration Shares.

The Issue Price represents:

- (i) a premium of approximately 234.72% over the closing price of HK\$0.239 per Share as quoted on the Stock Exchange on 2 April 2008, being the last trading day immediately prior to the entering into of the Agreement; and
- (ii) a premium of approximately 236.98% over the average of the closing prices of approximately HK\$0.2374 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 2 April 2008, being the last trading day immediately prior to the entering into of the Agreement.

The Issue Price was arrived at after arm's length negotiations between the Purchaser and the Vendor after taking into account of various factors including the closing prices as shown above. The Directors (including the independent non-executive Directors) consider that the Issue Price is fair and reasonable.

The Consideration Shares will be allotted and issued pursuant to the specific mandate to be sought at the EGM and will be allotted and issued on the date of Completion.

The aggregate total Consideration Shares represent approximately 25.79% of the existing issued share capital of the Company and approximately 19.24% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares and the Placing Shares.

It is expected that completion of the Placing will take place prior to completion of the Sale and Purchase Agreement. In addition, the 200,000,000 remaining Consideration Shares and the Convertible Bonds will only be issued to the Vendor (or his nominee(s)) upon the fulfilment of the EBITDA Guarantee.

THE CONVERTIBLE BONDS

- Principal amount: HK\$40,000,000 which will be issued by the Company at its full face value
- Interest rate: The Convertible Bonds shall carry no interest.
- Maturity date: Unless previously redeemed, repurchased and cancelled or converted, any outstanding Convertible Bonds shall be redeemed on the date falling on the fifth anniversary of the date of issue of the Convertible Bonds.
- Ranking: The Convertible Bonds constitute general and unsecured obligations of the Company and rank equally among themselves and pari passu with all other present and future unsecured and unsubordinated obligations of the Company.

Early redemption: The Company shall be entitled at any time while the Convertible Bonds are outstanding to redeem the Convertible Bonds or any part thereof at the principal amount of the Convertible Bonds (in multiples of HK\$5,000,000).

Conversion: Provided that (i) any conversion of the Convertible Bonds does not trigger off a mandatory offer under rule 26.1 of the Takeovers Code; (ii) any conversion of the Convertible Bonds does not cause in any change in control of the Company (as defined in the Takeovers Code); and (iii) any conversion of the Convertible Bonds does not cause the holder thereof become the single largest Shareholder, the Vendor will have the right to convert the whole or part of the principal amount of the Convertible Bonds into Conversion Shares at any time and from time to time, from the date of issue of the Convertible Bonds up to and including their maturity date in amounts of not less than a whole multiple of HK\$5,000,000 on each conversion.

The restriction regarding the conversion under the Convertible Bonds remains valid throughout the terms of the Convertible Bonds.

Up to 50,000,000 Conversion Shares shall be allotted and issued by the Company upon full conversion of the Convertible Bonds with initial conversion price of HK\$0.8 per Conversion Share

Conversion price: The conversion price is initially HK\$0.8 per Conversion Share, subject to normal adjustment for anti-dilution adjustment events. The initial conversion price represents:

- (a) a premium of approximately 234.72% over the closing price of HK\$0.239 per Share as quoted on the Stock Exchange on 2 April 2008, being the last trading day immediately prior to the entering into of the Agreement; and
- (b) a premium of approximately 236.98% over the average of the closing prices of approximately HK\$0.2374 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 2 April 2008, being the last trading day immediately prior to the entering into of the Agreement.

Voting: The Vendor will not be entitled to attend or vote at any general meeting of the Company by reason only of being the holder of the Convertible Bonds.

Transfer: With the prior written consent of the Company, the Convertible Bonds may be transferable provided always that no transfer or assignment of the Convertible Bonds shall be made to any connected person of the Company.

Application for listing

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares and the Conversion Shares.

INFORMATION ON THE TARGET GROUP

The Target was incorporated in the British Virgin Islands with limited liability. The principal activities of the Target are investment holdings and provision of advertising services.

On 1 January 2008, the Target entered into the PRC Subsidiary Acquisition Agreement with the existing shareholders of the PRC Subsidiary, pursuant to which the Target will acquire the entire share capital of the PRC Subsidiary. The PRC Subsidiary Acquisition shall be conducted and completed in such manner as the Purchaser may approve. The PRC Subsidiary is principally engaged in advertising and marketing consultation in the PRC. It is expected that the PRC Acquisition Agreement will be completed on or before 7 July 2008.

According to the audited financial statements of the Target prepared in accordance with the Small and Medium-sized Entity Financial Reporting Standard issued by the Hong Kong Institute of Certified Public Accountants, the turnover, profit before tax and profit after tax for the year ended 31 December 2006 were US\$398,283, US\$107,156 and US\$107,756 respectively. The turnover, profit before tax and profit after tax for the period from 6 July 2004 to 31 December 2005 were US\$246,700, US\$54,545 and US\$54,545 respectively.

The total asset and net asset value of the Target as at 31 December 2006 were approximately US\$270,563 and US\$161,703 respectively.

According to the unaudited management accounts of the PRC Subsidiary prepared in accordance with the PRC accounting principles, the turnover, profit before tax and profit after tax for the period from 25 May 2007, being the date of establishment of the PRC Subsidiary, to 31 December 2007 were RMB44,852,269, RMB16,764,258 and RMB16,764,258 respectively.

The total asset and net asset value of the PRC Subsidiary as at 31 December 2007 were approximately RMB28,815,332 and RMB18,564,258 respectively.

REASONS FOR THE PROPOSED ACQUISITION

The Group is principally engaged in investment holding, property investment and advertising. The Group will continue to carry on its existing business after Completion.

Having considered and reviewing the existing operation and financial position of the Group, the Board considers seeking opportunities to diversify the Group's revenue streams in order to enhance shareholder's value and is optimistic about the expansion in provision of management and consultancy services to advertising agencies in the PRC.

As disclosed in the announcement of the Company dated 7 April 2008, immediately after the publication of the announcement of the Company dated 17 January 2008, the Company has actively sought fund raising opportunities in order to fulfill one of the conditions as stipulated in the Original Agreement, i.e. completion of fund raising activities of the Company for the aggregate fund raising amount of HK\$150,000,000. However, due to the potential subprime mortgage financial crisis and also the negative sentiment of the global financial markets, the Company considers that it may not be possible to raise such amount of funds within the stipulated period.

Having considered that the acquisition of the Target represents a good opportunity for the Group to tap into the PRC advertising business, after arm's length negotiations, the Purchaser entered into the Deed of Termination and the Agreement on 3 April 2008.

The Directors believe that with the growth in the PRC economy, the demand for advertisement will continue to keep growth. Taking into consideration the EBITDA Guarantee provided in the Agreement, together with the prospects of the PRC advertising and marketing business in future, the Directors believe that the Acquisition will allow the Company to have steady additional income in the coming year.

Reference is also made to the announcement of the Company dated 17 December 2007. The Directors consider that there will be synergic effect brought from the Acquisition and the Acquisition will reinforce the marketing position of the Group in PRC advertising business sector.

The Directors consider that the Acquisition represents a good opportunity for the Group to tap into the growing PRC advertising and marketing business sector and also allow it to diversify its existing businesses. Taking into account of the aforesaid reasons, the Board is of the view that the terms and conditions of the Acquisition are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole.

There are no terms contained in the Agreement conferring the right to the Vendor to nominate any person to the Board. It is not expected if there will be any change in the Board composition of the Company as a result of the Acquisition (including resignation and appointment).

The proposed change of the Company name as disclosed in the announcement of the Company dated 17 January 2008 will continue to proceed.

GENERAL

The Acquisition constitutes a very substantial acquisition on the part of the Company under the Listing Rules and is subject to the approval of the Shareholders at the EGM. A circular containing, among other matters, further details of the Acquisition and a notice to convene the EGM will be despatched to the Shareholders in compliance with the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have a material interest in the Acquisition and therefore would require to abstain from voting at the EGM.

THE PLACING AGREEMENT

Date : 3 April 2008

Issuer : The Company

Placing Agent : Tanrich Capital Limited, an Independent Third Party

Placees

The Placing Shares will be placed on a best endeavour basis to not less than six Placees which will be individuals, corporate, institutional investors or other investors procured by the Placing Agent. The Placee(s) and their ultimate beneficial owners(s) will be Independent Third Party(ies).

It is expected that none of the Placees will become substantial Shareholder of the Company immediately after the Placing.

The Vendor and his associates will not become a placee and does not have any relationship with the Placees or the Placing Agent in the Placing

Placing Shares

The 80,000,000 Placing Shares will be allotted and issued to the Placee(s) and represent, in aggregate, (i) approximately 8.25% of the existing issued share capital of the Company; and (iii) approximately 7.62% of the issued share capital of the Company as enlarged by the Placing and the allotment and issue of the Placing Shares.

The Placing Shares will rank, upon issue, pari passu in all respects among themselves and with the Shares in issue as at the date of allotment and issue of the Placing Shares.

Placing Price

The Placing Price of HK\$0.20 per Placing Share represents (i) a discount of approximately 16.32% to the closing price of HK\$0.239 per Share as quoted on the Stock Exchange on 2 April 2008, being the last trading day immediately before the entering into of the Placing Agreement; (ii) a discount of approximately 15.75% to the average closing price of approximately HK\$0.2374 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including 2 April 2008, being the last trading day immediately before the entering into of the Placing Agreement. The net Placing Price, after deducting relevant expenses, is expected to be approximately HK\$0.195 per Placing Share.

The Placing Price was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the closing prices as shown above. The Directors consider that the Placing Price and the terms and conditions of the Placing Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Placing Costs

The Company shall pay to the Placing Agent the placing commission of 2% of the aggregate Placing Price of the total number of Placing Shares sold on behalf of the Company by the Placing Agent in pursuance of its obligations under the Placing Agreement and all reasonable costs, fees and expenses in relation to the preparation and completion of the Placing Agreement and the allotment and issue of the Placing Shares.

General mandate to issue the Placing Shares

The Placing Shares will be allotted and issued pursuant to the general mandate granted to the Directors at the annual general meeting of the Company held on 23 November 2007. As at the date of this announcement, save for the Placing, the general mandate has not been utilised. A aggregate of 177,785,000 Shares may be allotted and issued under the general mandate.

Condition of the Placing

The Placing is conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares.

In the event that the condition of the Placing is not fulfilled on or before 30 April 2008 (or such other date as may be agreed between the parties) in writing, the Placing Agreement shall cease and neither the Company nor the Placing Agent shall have any claim against the others under the Placing Agreement.

The Acquisition is conditional upon the Placing. The Placing is not conditional upon the Acquisition.

Completion of the Placing

Completion of the Placing will take place at 4:00 p.m. on the next Business day after the satisfaction of the condition set out above (or such other time or date as the Company and the Placing Agent shall agree).

Application for listing

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Reasons for the Placing

The Board considers that the Placing represents an opportunity to raise capital for the Group while broadening its shareholder and capital base. In light of the Acquisition, the Directors consider that it is prudent for the Group to have sufficient fund for its future diversification and expansion of business.

Use of proceeds

The gross proceeds of the Placing will amount to approximately HK\$16 million. The net proceeds receivable by the Company, after deducting relevant expenses incurred in relation to the Placing, are estimated to be approximately HK\$15.6 million. It is expected that the net proceeds will be applied towards the general working capital of the Group. The Board has not yet determined whether the proceeds from the Placing will be applied towards to fund the Acquisition or not.

The Directors consider that, in light of the Acquisition, it is prudent for the Group to have sufficient fund to meet its capital requirement as a result of the proposed diversification and expansion of business of the Group. The Directors consider that the Placing Agreement is entered into under normal commercial terms following arm's length negotiations between the Company and the Placing Agent and that the terms of the Placing Agreement are fair and reasonable so far as the interests of the Company and the Shareholders as a whole are concerned.

FUND RAISING EXERCISE BY THE COMPANY IN THE PAST TWELVE MONTHS

Save as disclosed below, no fund raising exercise has been carried out for the past 12 months immediately prior to the date of this announcement.

Date of announcement/ circular	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
13 September 2007 and 5 October 2007	Open offer of 860,250,000 offer Shares	About HK\$100 million	(i) HK\$45 million for the balance payment of Inner Mongolia properties as set out in the circular of the Company dated 12 June 2007; (ii) HK\$14 million for debt repayment; (iii) HK\$41 million as general working capital	all the net proceeds has been utilised as intended.

CHANGES IN SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement and before Completion; and (ii) immediately after Completion and the allotment and issue of the Consideration Shares:

	As at the date of this announcement		Immediately after the allotment and issue of Placing Shares		Immediately after the allotment and issue of 50,000,000 Consideration Shares and the Placing Shares		Immediately after the allotment and issue of all 250,000,000 Consideration Shares and all the Placing Shares		Immediately after the allotment and issue of all 250,000,000 Consideration Shares and such number of Conversion Shares that the Vendor will hold 19.99% and all Placing Shares	
	(Number of Shares)	%	(Number of Shares)	%	(Number of Shares)	%	(Number of Shares)	%	(Number of Shares)	%
Lau Chi Yuen, Joseph	270,471,000	27.90	270,471,000	25.78	270,471,000	24.60	270,471,000	20.81	270,471,000	20.63
The Vendor (or his nominee(s))	-	-	-	-	50,000,000	4.55	250,000,000	19.24	262,200,000	19.99
Win Today Limited (Note 1) (immediately after completion of the Placing)*	100,000,000	10.32	100,000,000	9.53	100,000,000	9.10	100,000,000	7.70	100,000,000	7.62
Placees*	-	-	80,000,000	7.62	80,000,000	7.28	80,000,000	6.16	80,000,000	6.10
Other Public Shareholders*	598,814,000	61.78	598,814,000	57.07	598,814,000	54.47	598,814,000	46.09	598,814,000	45.66
Total	969,285,000	100.00	1,049,285,000	100.00	1,099,285,000	100.00	1,299,285,000	100.00	1,311,485,000	100.00
Subtotal of shareholdings of public Shareholders	598,814,000	61.78	778,814,000	74.22	778,814,000	70.85	778,814,000	59.95	778,814,000	59.38

Notes:

1. Win Today Limited is a company incorporated in British Virgin Islands and is an investment company. To the best knowledge and belief of the Directors having made all reasonable enquiry, the Directors confirm that Win Today Limited and its ultimate beneficial owner, Vicky Yu, save for being a substantial Shareholder (as defined under the Listing Rules) are Independent Third Parties and are independent of and not connected with the Vendor and his associates. Immediately after completion of the Placing, Win Today Limited will hold less than 10% of the issued share capital of the Company and will be regarded as a public Shareholder according to the Listing Rules.
 2. Each of Lau Chi Yuen, Joseph, Win Today Limited and its beneficial owner and the Vendor are not parties acting in concert.
- * public Shareholders (as defined under the Listing Rules)

As at the date of this announcement, there are no outstanding convertible securities or options issued by the Company other than an aggregate of 53,312,700 share options granted to certain eligible employees and persons under the share option scheme adopted by the Company. Upon full exercise of the 53,312,700 share options, an aggregate of 53,312,700 Shares, representing approximately 5.5% of the existing issued share capital of the Company, will be allotted and issued.

To the best of the Directors' knowledge and information, none of the Placees will become part acting in concert (as defined in the Takeovers Code) with the Vendor.

Immediately after completion of the Placing and the Acquisition, the Company will continue to maintain a public float of more than 25%. As shown in the shareholding table above, the Company will continue to maintain a public float of more than 25% immediately after the issue and allotment of all the Consideration Shares and Conversion Shares.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 3 April 2008 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 16 April 2008.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Acquisition”	the acquisition of the Sale Shares as contemplated under the Agreement
“Agreement”	the agreement dated 3 April 2008 (as supplemented by the supplemental agreement dated 14 April 2008) entered into between the Purchaser and the Vendor in relation to, among other matters, the Acquisition
“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	eCyberChina Holdings Limited, a company incorporated in Hong Kong with limited liability and the issued Shares of which are listed on the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“Completion Date”	date of Completion

“connected person(s)”	has the meaning ascribed to this term under the Listing Rules
“Consideration Shares”	up to 250,000,000 new Shares to be allotted and issued by the Company to the Vendor (or his nominee(s)) as part of the consideration for the Sale Shares
“Convertible Bonds”	the convertible bonds with principal amount of HK\$40,000,000 to be issued by the Company to the Vendor (or his nominee(s)) as part of the consideration for the Sale Shares
“Conversion Shares”	up to 50,000,000 new Shares to be allotted and issued upon the conversion of the Convertible Bonds
“Deed of Termination”	the deed of termination dated 3 April 2008 entered into among the Purchaser, the Vendor and the Target in relation to the termination of the Original Agreement
“Directors”	the directors of the Company
“EBITDA”	earnings before interest, taxes, depreciation and amortization in accordance with International Financial Reporting Standard or other applicable financial reporting standard as may be agreed by the parties to the Agreement
“EBITDA Guarantee”	the guarantee of the EBITDA of the Target Group during the Guaranteed Financial Year as provided in the Agreement
“EGM”	the extraordinary general meeting of the Company to be held and convened for the purpose of considering and, if thought fit, approving the Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“Guaranteed Financial Year”	the whole financial year commencing from the Completion Date and ending on the date immediately before the first anniversary of the Completion Date
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons
“Issue Price”	the issue price of HK\$0.8 per Consideration Share
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Original Agreement”	the original agreement dated 7 January 2008 entered into between the Target, the Purchaser and the Vendor in relation to, among other matters, the Acquisition
“Placing”	the placing of up to 80,000,000 new Shares pursuant to the Placing Agreement
“Placing Agent”	Tanrich Capital Limited
“Placing Agreement”	the placing agreement dated 3 April 2008 entered into between the Placing Agent and the Company in relation to the Placing
“Placing Price”	the placing price of HK\$0.20 per Placing Share
“Placing Shares”	up to 80,000,000 new Shares to be placed by the Placing Agent
“Placee(s)”	the placee(s) under the Placing
“PRC”	the People’s Republic of China
“PRC Subsidiary”	上海贏城廣告傳媒有限公司 (Shanghai Winmedia Advertising Media Company Limited*), an enterprise established in the PRC and will become a wholly owned subsidiary of the Target upon completion of the PRC Subsidiary Acquisition Agreement
“PRC Subsidiary Acquisition”	the acquisition of the PRC Subsidiary by the Target
“PRC Subsidiary Acquisition Agreement”	the agreement dated 1 January 2008 between the Target and the existing shareholders of the PRC Subsidiary pursuant to which the Target will acquire the registered share capital from the existing shareholders of the PRC Subsidiary and the PRC Subsidiary will become a wholly owned subsidiary of the Target upon completion of the PRC Subsidiary Acquisition Agreement
“Purchaser”	Konmate Investments Limited, a wholly owned subsidiary of the Company
“Sale Shares”	29,868 ordinary shares of US\$1.00 each in the issued share capital of the Target, representing the entire issued share capital of the Target
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers

“Target”	L & L Partners’ Limited, a company incorporated in the British Virgin Islands and is wholly and beneficially owned by the Vendor and his spouse
“Target Group”	the Target and the PRC Subsidiary
“Target Share(s)”	ordinary share(s) of US\$1.00 each in the share capital of the Target
“Target Shareholder(s)”	holder(s) of the Target Shares
“Vendor”	Mr. Lo Chun Chung Johnny, an Independent Third Party
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By order of the Board
eCyberChina Holdings Limited
Lau Chi Yuen, Joseph
Director

Hong Kong, 15 April 2008

As at the date of this announcement, the executive Directors of the Company are Mr. Lu Liang, Mr Chan Sing Fai, Mr. Ng Yan and Mr. Lau Chi Yuen, Joseph and the independent non-executive Directors of the Company are Mr. Law Tai Yan, Mr. Cheng Sheung Hing and Mr. Cheng Kwong Choi, Alexander.

* *for identification purposes only*