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ABC COMMUNICATIONS (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 30)

TERMINATION OF ACQUISITION AGREEMENT AND RESUMPTION OF TRADING

Financial Adviser to the Company

ASIA VEST PARTNERS

AsiaVest Partners Limited

After trading hours of 6 January 2011, the Company received a written notice from the Vendor that he intended to terminate the Acquisition Agreement with the Company and Global Force in respect of the Proposed Acquisition. On 10 January 2011, the Company, Global Force and the Vendor entered into the Deed of Termination to terminate the Acquisition Agreement (including all supplemental agreements thereto) by mutual consent.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 7 January 2011 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 on the Stock Exchange with effect from 9:30 a.m. on 11 January 2011.

Reference is made to the Company's announcements dated 11 February 2010, 3 March 2010, 23 April 2010, 3 June 2010, 4 August 2010 and 5 November 2010 (the "**Announcements**") in relation to, amongst others, the proposed acquisition (the "**Proposed Acquisition**") of the entire issued share capital and all shareholders' loans of Gold Vast Holdings Limited (the "**Target Company**"). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as defined in the Announcements.

After trading hours of 6 January 2011, the Company received a written notice from the Vendor (Mr. Chen Xi Rong) that he intended to terminate the Acquisition Agreement with the Company and Global Force (a wholly owned subsidiary of the Company) in respect of the Proposed Acquisition. Based on the information provided by the Vendor, the reason for the termination was that (a) a deed of termination was entered into between, amongst other

parties, Best Ground Group Limited and Marigold Time on 6 January 2011 to terminate the China Gold Acquisition; and (b) accordingly, the Vendor can no longer fulfill certain conditions precedent to the completion of the Acquisition Agreement.

On 10 January 2011, the Company, Global Force and the Vendor entered into a deed of termination (the “**Deed of Termination**”) to terminate the Acquisition Agreement (including all supplemental agreements thereto) by mutual consent.

As of the date of this announcement, Global Force has paid a total amount of HK\$130,000,000 to the Vendor by way of refundable cash deposit (the “**Deposit**”) in relation to the Proposed Acquisition. Pursuant to the Deed of Termination, the Vendor agreed to (a) repay the full amount of the Deposit to Global Force within 3 months from the date of the Deed of Termination; and (b) pay an additional amount of HK\$22,300,000 to Global Force within 3 months from the date of the Deed of Termination by way of liquidated damages to Global Force to compensate the interest expenses and professional fees incurred by the Group in relation to the Proposed Acquisition.

The Target Company is a company incorporated in the British Virgin Islands with limited liability. According to the information provided by the Vendor, the Target Company owns 100% equity interest in Marigold Time, which in turn is in the process of acquiring 70% equity interest in China Gold from Best Ground Group Limited (a wholly owned subsidiary of Zijin Mining Group Co Limited) under the China Gold Acquisition. China Gold’s only asset is 50.05% equity interest in a jointly controlled entity, Guoda Gold. Guoda Gold is principally engaged in gold smelting and refinery businesses in Shandong Province, the PRC.

The terms of the Deed of Termination was arrived at after arm’s length negotiations between the Company and the Vendor. In view of the termination of the China Gold Acquisition, the Directors (including the independent non-executive Directors) consider that it is in the best interests of the Company and the Shareholders as a whole to terminate the Proposed Acquisition. The termination of the Proposed Acquisition has no material adverse effect on the business and financial position of the Company.

To the best knowledge of the Directors after making all reasonable enquiries, each of the Vendor, Best Ground Group Limited and its ultimate beneficial owners is a third party independent of the Company and its connected persons.

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By order of the board of
ABC Communications (Holdings) Limited
Chen Jiasong
Chairman

Hong Kong, 10 January 2011

As at the date of this announcement, the board of directors of the Company comprises:

Executive Directors:

Mr. Chen Jiasong (*Chairman*)

Mr. Wang Zhi Gang

Mr. Cheung Wai Shing

Mr. Zhao Bao Long

Mr. Choy Kai Chung, Andy

Mr. Lau Kevin

Non-executive Director:

Mr. Hou Hui Min (*Honorable Chairman*)

Independent Non-executive Directors:

Mr. Tsang Kwok Wai

Mr. Lee Kwong Yiu

Mr. Zhang Guang Hui