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ABC COMMUNICATIONS (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 30)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

RADLAND INTERNATIONAL LIMITED

On 14 April 2011 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent whereby the Company conditionally agreed to place, through the Placing Agent, on a best effort basis, a maximum of 73,107,200 Placing Shares to not less than 6 independent Placees at a price of HK\$0.64 per Placing Share. The Placing Shares represent 12.88% of the Company's existing issued share capital of the Company of 567,536,000 Shares as at the date of this announcement and approximately 11.41% of its issued share capital as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$731,072.00.

The Placing Price of HK\$0.64 per Placing Share represents (i) a discount of approximately 17.95% closing price of HK\$0.78 per Share as quoted on the Stock Exchange on 14 April 2011, being the date of the Placing Agreement; and (ii) a discount of approximately 17.31% to the average closing price of HK\$0.774 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including 14 April 2011.

The maximum gross proceeds from the Placing will be approximately HK\$46.79 million. The Company plans to use the maximum net proceeds of approximately HK\$45.4 million from the Placing to finance the cash consideration of the Proposed Acquisition and to fund the general working capital of the Group.

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.

Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement.

As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date

14 April 2011

Issuer

The Company

Placing Agent and the Placees

Radland International Limited, the Placing Agent, has conditionally agreed to place a maximum of 73,107,200 Placing Shares on a best effort basis and in consideration thereof, it will receive a placing commission of 2.5% on the gross proceeds of the Placing upon completion of the Placing. The Directors are of the view that the placing commission accords with the market rate and is fair and reasonable. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are not connected persons of the Company and are independent from and not connected with the Company and/or its Connected Persons.

The Placing Agent will place the Placing Shares to not less than six Placees, being individuals, institutional or other professional investors, and who and whose ultimate beneficial owners will not be Connected Persons of the Company and will be independent of and not connected with the Company and its Connected Persons. It is expected that none of the Placees will become substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Placing.

Number of Placing Shares

A maximum of 73,107,200 Placing Shares represent 12.88% of the Company's existing issued share capital of the Company of 567,536,000 Shares as at the date of this announcement and approximately 11.41% of its issued share capital as enlarged by the Placing. The aggregate nominal value of the Placing Shares under the Placing will be HK\$731,072.00.

Placing Price

The Placing Price of HK\$0.64 per Placing Share represents (i) a discount of approximately 17.95% to the closing price of HK\$0.78 per Share as quoted on the Stock Exchange on 14 April 2011, being the date of the Placing Agreement; and (ii) a discount of 17.31% to the average closing price of HK\$0.774 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including 14 April 2011.

The maximum net placing price under the Placing is approximately HK\$0.621 per Placing Share.

The Directors consider that the Placing Price, which was agreed after arm's length negotiations between the Company and the Placing Agent with reference to current market price of the Shares, is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

General Mandate

The Placing Shares will be allotted and issued under the general mandate granted to the Directors by a resolution of the Shareholders passed at the annual general meeting of the Company held on 21 January 2011 pursuant to which the Directors are allowed to allot and issue up to 103,107,200 Shares.

As at the date of this announcement, no Shares have been issued and allotted pursuant to such general mandate.

Conditions of the Placing

The Placing, which is not subject to the approval of the Shareholders, is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares; and
- (ii) the obligations of the Placing Agent under the Placing Agreement not being terminated in accordance with the terms thereof, including provisions regarding force majeure events.

The conditions must be fulfilled on or before 16 May 2011 (or such other date as agreed by the Company and the Placing Agent), failing which the Placing Agreement shall terminate and none of the parties to the Placing Agreement shall have any claim against the other for any costs or losses (save for any prior breaches of the Placing Agreement).

Termination and force majeure events

The Placing Agreement may be terminated by the Placing Agent if at any time prior to 10:00 a.m. on the date of completion for the Placing Agreement, in the reasonable opinion of the Placing Agent the success of the Placing or the business or financial prospects of the Group would or might be adversely affected by any force majeure events as follows:

- (a) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
- (b) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date hereof and including an event or change in relation to or a development of an existing state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions; or

- (c) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
- (d) a change or development involving a prospective change in taxation in Hong Kong, Bermuda, or the People's Republic of China or the implementation of exchange controls which shall or might materially and adversely affect the Group (as a whole) or its present or prospective shareholders in their capacity as such; or
- (e) any change or deterioration in the conditions of local, national or international securities markets occurs.

Completion of the Placing

Completion of the Placing shall take place not later than the second Business Day after the Placing Agreement has become unconditional (or such later date as may be agreed between the Company and the Placing Agent).

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in the provision of financial information services, securities trading system licensing and wireless applications development.

The maximum gross proceeds from the Placing will be HK\$46.79 million. The Company plans to use the maximum net proceeds of approximately HK\$45.4 million from the Placing to finance the cash consideration of the Proposed Acquisition and to fund the general working capital of the Group.

The Directors are of the view that the Placing will enlarge the shareholder base and the capital base of the Company. In addition, the net proceeds of the Placing will strengthen the Group's financial position for future development of the Group.

Accordingly, the Directors (including the independent non-executive Directors) consider the terms of the Placing is in the interests of the Company and the Shareholders as a whole.

FUND RAISING EXERCISES DURING THE PAST 12 MONTHS

Date of announcement	Event	Net Proceeds (Approximately)	Intended proceeds	Actual use of proceeds as at the date of this announcement
27 August 2010	Placing of 16,000,000 existing Shares and Subscription of 16,000,000 new Shares under General Mandate at HK\$1.38 per Share	HK\$21.7 million	Intended to use as general working and/or reduce borrowings of the Group	HK\$21.7 million used to reduce borrowings of the Group
1 December 2010	Placing of Convertible Bonds	HK\$72.97 million	Intended to:– – fund the Group’s general working capital requirements for its ongoing operations and expansion ; – repay the debts of the Group; – finance possible investment projects as and when suitable opportunities arise.	HK\$72.97 million used to repay the debts of the Group

SHAREHOLDING STRUCTURE

Effects on Shareholding Structure of the Company

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; (ii) assuming the Completion of the Placing; (iii) assuming Completion of the Proposed Acquisition and full exercise of the Convertible Bonds; and (iv) assuming full exercise of the Placing of Convertible Bonds and the Convertible Bonds.

Shareholders

	As at the date of this announcement		Immediately after completion of the Placing		Upon Completion of the Proposed Acquisition and full exercise of Convertible Bonds		Assuming full exercise of the Placing of Convertible Bonds and the Convertible Bonds	
	Number of Shares	Approx %	Number of Shares	Approx %	Number of Shares	Approx %	Number of Shares	Approx %
Asian Gold Dragon Limited (Note 1)	249,624,500	43.99	249,624,500	38.97	249,624,500	37.22	249,624,500	36.35
Rising Step Holdings Limited (Note 2)	57,100,000	10.06	57,100,000	8.91	57,100,000	8.51	57,100,000	8.32
Public shareholders								
Placees			73,107,200	11.41	73,107,200	10.90	73,107,200	10.65
The Vendors (Note 3)	–	–	–	–	30,000,000	4.48	30,000,000	4.36
Placees of Placing of Convertible Bonds (Note 4)	–	–	–	–	–	–	16,000,000	2.33
Other public shareholders	260,811,500	45.95	260,811,500	40.71	260,811,500	38.89	260,811,500	37.99
Total	567,536,000	100	640,643,200	100	670,643,200	100	686,643,200	100

Notes:

1. Asian Gold Dragon Limited is beneficially owned as to 85% and 15% by Mr. Sze Chun Ning, Vincent and Mr. Lin Qun, respectively.
2. Rising Step Holdings Limited is beneficially and wholly owned by Mr. Zhuo Shui Jia.
3. The Vendors, independent to all existing shareholders and Placing of Convertible Bond holders, are regarded as public shareholders for the purpose of the public float requirement under the Listing Rules.
4. The Placees of the Placing of Convertible Bonds are the holders of the Placing of Convertible Bonds as announced by the Company on 1 December 2010. Each of the Placees is a third party independent of the Company and its connected persons.

GENERAL

Pursuant to the termination provision in the Placing Agreement, the Placing Agent has the right in certain circumstances, in the discretion of the Placing Agent, to terminate the Placing Agreement prior to the date of completion of the Placing Agreement. Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement.

As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

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

DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in Hong Kong
“Company”	ABC Communications (Holdings) Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the Stock Exchange
“Connected Person(s)”	has the meaning ascribed thereto in the Listing Rules
“Convertible Bonds”	the convertible bond in the agreed form to be issued by the Company in favour of the Vendors of the Proposed Acquisition to satisfy the consideration for the Proposed Acquisition in the principal amount of HK\$21,000,000.00
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Placees”	any individual(s), institutional or other professional investor(s) procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing of Convertible Bonds”	the convertible bonds in the principal amount of HK\$75,050,000 placed by the Company through Chung Nam Securities Limited on a fully underwritten basis pursuant to the placing agreement and announcement both dated 1 December 2010
“Placing”	placing of a maximum of 73,107,200 new Shares by the Placing Agent on a best effort basis pursuant to the terms of the Placing Agreement

“Placing Agent”	Radland International Limited, a licensed corporation to carry out type 1 regulated activity within the meaning of the SFO
“Placing Agreement”	a conditional placing agreement dated 14 April 2011 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.64 per Placing Share
“Placing Shares”	a maximum of 73,107,200 new Shares to be placed under the Placing
“PRC”	The People’s Republic of China
“Proposed Acquisition”	the proposed acquisition of 60% of the issued shares capital and shareholders’ loan of Jun Qiao Limited by the Company pursuant to the acquisition agreement and announcement both dated 28 March 2011
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendors”	vendors of the Proposed Acquisition
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

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

Hong Kong, 14 April 2011

As at the date of this announcement, the Board of the Company comprises:

Executive Directors:

Mr. Chen Jiasong (Chairman)

Mr. Cheung Wai Shing

Mr. Choy Kai Chung, Andy

Mr. Lau Kevin

Mr. Song Gaofeng

Ms. Ma Sai

Ms. Lam Pui Sea

Non-executive Director:

Mr. Qiu Hai Jian

Independent Non-executive Directors:

Mr. Lee Kwong Yiu

Mr. Lee Ho Yiu, Thomas

Mr. Zhang Guang Hui