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ABC COMMUNICATIONS (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 30)

MAJOR TRANSACTION

**DELAY IN DESPATCH OF CIRCULAR
AND
EXTENSION OF LONG STOP DATE**

This announcement is made pursuant to Rule 14.36A of the Listing Rules.

References are made to the announcements of the Company dated 8 November 2011, 16 November 2011, 30 December 2011, 31 January 2012, 1 February 2012, 2 March 2012, 30 March 2012, 2 May 2012, 31 May 2012, 29 June 2012, 31 August 2012, 28 September 2012, 31 October 2012 and 31 December 2012 (the “**Announcements**”) in relation to the Acquisition. Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meaning as those defined in the Announcements.

UPDATE ON PROGRESS OF THE ACQUISITION

The Company wishes to update shareholders and investors on the recent progress of the Acquisition.

Since the signing of the sale and purchase agreement in relation to the Acquisition on 7 November 2011, the Company has instructed reporting accountants, legal advisers, valuers and financial advisers to assist the Company in, inter alia, preparing the circular and conducting due diligence on the financial, legal and commercial aspects of the Target Company. However, upon the suspension of trading of the Company’s shares on 3 July 2012 as a result of the delay in publication of the Company’s annual results for the year ended 31 March 2012 and, subsequently, the delay in publication of the Company’s interim results for the six months ended 30 September 2012, most of the management resources of the Company have been diverted to the preparation of the financial information of the Company. Therefore, progress of the preparation works relating to the Acquisition has slowed down significantly.

On 9 January 2013, the Company published its annual results for the year ended 31 March 2012. The Company is now in the final stage of the preparation of its interim results for the six months ended 30 September 2012.

Although the Acquisition has been delayed for a longer than expected period, the Directors consider that it is in the best interest of the Company to continue with the preparation works relating to the Acquisition when the Company publishes its interim results for the six months ended 30 September 2012 and the Company's shares resume trading. According to the Directive Statement in relation to the Development of the Payment System in China (2011-2015) (關於中國支付體系發展 (2011-2015年) 的指導意見) issued by the People's Bank of China (the "PBOC"), the promotion of non-cash payment and the continuous innovation of non-cash payment medium is one of the major missions. In the quarterly report issued by the PBOC, it was reported that in the third quarter of 2012, consumption payment involving banks cards and POS Terminals have reached RMB5.6 trillion, representing a growth rate of 36.6% compared with the third quarter of 2011. In addition, it was reported that as at the end of third quarter 2012, 6.7 million networked POS terminals were installed in China, of which 750,000 POS terminals were newly installed in the third quarter of 2012 alone. It is generally believed that the growth of POS terminals and non-cash consumption payment will continue. The directors of the Company consider that the POS terminal chain and the marketing network of the Target Company will assist the Company in capturing the opportunities in this fast growing business sector.

DELAY IN DESPATCH OF CIRCULAR

After further discussions with the relevant professional parties on the time required for preparation of the necessary documents to be included in the circular in relation to the Acquisition, including the valuation report of the Target Company and the financial information of the Target Group, it is expected that the circular in relation to the Acquisition will be despatched on or before 30 April 2013.

EXTENSION OF LONG STOP DATE

As additional time is required for preparing the information to be included in the circular in relation to the Acquisition, the parties to the Sale and Purchase Agreement have entered into the fifth supplemental agreement on 29 January 2013 to extend the long stop date for the fulfillment of the conditions as set out in the Sale and Purchase Agreement from 31 January 2013 to 31 May 2013 or any other date as agreed by the parties thereto.

Save as the aforementioned, all other terms and conditions of the Sale and Purchase Agreement (as supplemented by the First Supplemental Agreement, the Second Supplemental Agreement, the Third Supplemental Agreement and the Fourth Supplemental Agreement) remain unchanged and continue to be in full force and effect.

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

Hong Kong, 31 January 2013

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

Non-executive Director:

Mr. Qiu Hai Jian

Independent Non-executive Directors:

Mr. Chen Haoyun, Jordy
Mr. Lee Kwong Yiu
Mr. Lee Ho Yiu, Thomas
Mr. Zhang Guang Hui

In the case of any inconsistency, the English text of this announcement should prevail over the Chinese Text.