ABC COMMUNICATIONS (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 30)

TERMINATION OF MAJOR TRANSACTION

On 1 May 2013, the Company, the Vendor and the Guarantor entered into the Deed of Termination to terminate the Sale and Purchase Agreement (including all supplemental agreements thereto) by mutual consent.

Reference is made to the Company's announcements 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, 31 December 2012 and 31 January 2013 (the "**Announcements**") in relation to, amongst others, the proposed acquisition (the "**Acquisition**") of 55% of the entire issued share capital and shareholders' loans of Billion Light Holdings Limited (the "**Target Company**"). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as defined in the Announcements.

On 1 May 2013, the Company, the Vendor and the Guarantor entered into a deed of termination (the "**Deed of Termination**") to terminate the Sale and Purchase Agreement (including all supplemental agreements thereto) by mutual consent. Both the Company and the Vendor agreed that the Acquisition has been delayed significantly without any parties' fault, and agreed that it is no longer in the parties' interest to carry on with the Acquisition in light of the prevailing market conditions.

As of the date of this announcement, the Company has paid a total amount of HK$30,000,000 to the Vendor by way of refundable cash deposit (the "**Deposit**") in relation to the Acquisition. Pursuant to the Deed of Termination, (a) the Company agreed to return all due diligence documents to the Vendor within 1 month from the date of the Deed of Termination; and (b) the Vendor agreed to repay the full amount of the Deposit to the Company within 2 months after the Company has returned all due diligence documents to the Vendor.

The Target Company is an investment holding company incorporated in the British Virgin Islands with limited liability. According to the information provided by the Vendor, the Target Company owns the entire equity interest in China Etao, which in turn owns 90% of the equity interest in Etao Network. Etao Network is principally engaged in the leasing of financial equipments and the provision of relevant settlement system and ancillary services for the POS Terminals. Etao Network also owns (a) 78% direct equity interest in the Project Company, and (b) another 20% beneficial interest in the equity of the Project Company, which is held through a nominee. The Project Company is principally engaged in the leasing of POS Terminals in the PRC.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Vendor and the Guarantor is a third party independent of, and not connected with, the Company and its connected persons.

The terms of the Deed of Termination was arrived at after arm's length negotiations between the Company and the Vendor. Taking into account the significant delay in the Acquisition and the prevailing market conditions, 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 Acquisition. The termination of the Acquisition has no material adverse effect on the business and financial position of the Company.

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

Hong Kong, 1 May 2013

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

Executive Directors:
Mr. Chen Jiasong *(Chairman)*
Mr. Cheung Wai Shing
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. Zhang Guang Hui