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ABC COMMUNICATIONS (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 30)

**(1) PLACING OF NEW SHARES UNDER
REFRESHED GENERAL MANDATE;
(2) UNUSUAL SHARE PRICE AND TRADING VOLUME MOVEMENT;
AND
(3) RESUMPTION OF TRADING**

Placing Agent



PLACING OF NEW SHARES UNDER REFRESHED GENERAL MANDATE

On 9 September 2015 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best efforts basis, a maximum of 397,280,000 Placing Shares to not less than six independent Placees at a price of HK\$0.189 per Placing Share.

The Placing Price of HK\$0.189 per Placing Share represents: (i) a discount of approximately 19.23% to the closing price of HK\$0.234 per Share as quoted on the Stock Exchange on 9 September 2015, being the date of the Placing Agreement; and (ii) a discount of approximately 19.85% to the average closing price of approximately HK\$0.2358 per Share as quoted on the Stock Exchange for the last 5 full trading days of the Shares immediately prior to the date of the Placing Agreement.

Assuming the Placing Shares are fully placed, the maximum number of 397,280,000 Placing Shares represents approximately 20.00% of the issued share capital of the Company of 1,986,415,200 Shares as at the date of this announcement, and approximately 16.67% of the issued share capital of the Company as enlarged by the issue of a maximum of 397,280,000 Placing Shares.

Assuming the Placing Shares are fully placed, the gross and net proceeds from the Placing will be approximately HK\$75.09 million and HK\$74.34 million, respectively. It is intended that such net proceeds will be used by the Company for financing the Group's money lending business.

The Placing is not subject to the Shareholders' approval as the Placing Shares will be issued pursuant to the Refreshed General Mandate.

UNUSUAL SHARE PRICE AND TRADING VOLUME MOVEMENT

The Board has noted the unusual share price and trading volume movement of the Shares on 9 September 2015. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Directors confirmed that, save as the matters disclosed in the Update Announcement and this announcement, the Company is not aware of any other reasons for the movement in price and trading volume of the Shares or of any information which must be announced to avoid a false market in the Shares or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

RESUMPTION OF TRADING

As requested by the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 10 September 2015 pending the release of the Update Announcement and this announcement which constitutes inside information of the Company. An application has been made for the resumption of trading of Shares on the Stock Exchange with effect from 9:00 a.m. on 11 September 2015.

Shareholders and potential investors of the Shares should note that the Placing is subject to the fulfillment or waiver of its conditions precedent and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date

9 September 2015 (after trading hours)

Parties

- (a) the Company; and
- (b) the Placing Agent

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

Placees

The Placing Shares will be placed to not less than six Placees who and whose ultimate beneficial owners are not connected persons of the Company and will be third party(ies) independent of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates. It is expected that none of the Placees nor their associates will become a substantial shareholder of the Company as a result of the Placing.

Number of Placing Shares

The Company has conditionally agreed to place, through the Placing Agent on a best efforts basis, a maximum of 397,280,000 Placing Shares. Assuming the Placing Shares are fully placed, the maximum number of 397,280,000 Placing Shares represents approximately 20.00% of the issued share capital of the Company of 1,986,415,200 Shares as at the date of this announcement, and approximately 16.67% of the issued share capital of the Company as enlarged by the issue of a maximum of 397,280,000 Placing Shares. The aggregate nominal value of the maximum number of 397,280,000 Placing Shares is HK\$3,972,800.00.

Placing Price

The Placing Price of HK\$0.189 per Placing Share was agreed after arm's length negotiations between the Company and the Placing Agent, with reference to, among other things, the recent trading price of the Shares on the Stock Exchange. The Placing Price represents:

- (i) a discount of approximately 19.23% to the closing price of HK\$0.234 per Share as quoted on the Stock Exchange on 9 September 2015, being the date of the Placing Agreement; and
- (ii) a discount of approximately 19.85% to the average closing price of approximately HK\$0.2358 per Share as quoted on the Stock Exchange for the last 5 full trading days of the Shares immediately prior to the date of the Placing Agreement.

Placing Commission

The Placing Agent will receive a placing commission of 1% on the gross proceeds of the Placing Shares which are successfully placed by the Placing Agent. The placing commission was determined after arm's length negotiation between the Company and the Placing Agent with reference to, amongst other things, the prevailing market rate.

Condition of the Placing

Completion of the Placing is conditional upon by not later than 25 September 2015 (or such later date as may be agreed between the Placing Agent and the Company) (the "**Long Stop Date**") the Stock Exchange granting or agreeing to grant listing of and permission to deal in the Placing Shares.

If the above condition is not satisfied on or before the Long Stop Date, the Placing will lapse and all rights, obligations and liabilities of the Placing Agent and the Company in relation to the Placing shall cease and determine and neither party shall have any claim against the other in respect of the Placing save for any antecedent breach and/or any rights or obligations which may accrue under the Placing Agreement prior to such termination.

Completion of the Placing

Completion of the Placing shall take place on the third business day after the fulfillment of the conditions set out in the Placing Agreement (or such other date as the Company and the Placing Agent may agree). If the Long Stop Date is extended so that completion of the Placing takes place more than one month after the date of the Placing Agreement, the Company shall re-comply with the Listing Rules.

Rescission of the Placing Agreement

If any of the following events occur at any time prior to 10:00 a.m. on the date of completion of the Placing (the “**Completion Date**”), the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the Completion Date provided that such notice is received prior to 6:00 p.m. on the day immediately preceding the Completion Date, rescind the Placing Agreement without liability to the other party, and the Placing Agreement shall thereupon cease to have effect and none of the parties shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under the Placing Agreement prior to such termination:

- (i) in the reasonable opinion of the Placing Agent there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or
- (ii) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (iii) any material breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Completion Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of the representations and warranties contained in the Placing Agreement untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (iv) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid, will rank *pari passu* among themselves and with Shares in issue at the time of issue and allotment of the Placing Shares.

Application for listing

Application will be made to the Stock Exchange for approval for the listing of and permission to deal in the Placing Shares.

REFRESHED GENERAL MANDATE

The Placing is not subject to the Shareholders' approval as the Placing Shares will be issued pursuant to the Refreshed General Mandate, which was granted to the Directors pursuant to an ordinary resolution passed at the Company's special general meeting on 12 August 2015 to issue and allot up to 397,283,040 Shares, representing 20% of the aggregate nominal value of the share capital of the Company in issue on the date of passing such resolution. As at the date of this announcement, no Share has been issued pursuant to the Refreshed General Mandate.

REASONS FOR ENTERING INTO THE PLACING AGREEMENT

The Company is an investment holding company. The Group is principally engaged in providing financial quotation services, wireless applications development, securities trading system licensing, mining operations and development of encryption technology and products.

Assuming the Placing Shares are fully placed, the gross and net proceeds from the Placing will be approximately HK\$75.09 million and HK\$74.34 million, respectively. It is intended that such net proceeds will be used by the Company for financing the Group's money lending business. Assuming the Placing Shares are fully placed, the net placing price will be approximately HK\$0.187 per Placing Share.

As announced in the Company's announcement dated 27 April 2015 (the "**April Announcement**"), (a) on 24 April 2015, Ban Loong Property Investment Limited (a wholly-owned subsidiary of the Company), Mr. Chiu Ngai Hung (as vendor) and the Target Companies (as defined in the April Announcement) entered into an acquisition agreement (the "**Acquisition Agreement**") pursuant to which the Group conditionally agreed to acquire the entire issued share capital and all shareholder's loan of each of the Target Companies for a total cash consideration of HK\$297,193,940; and (b) on 24 April 2015, the Company entered into a placing agreement (the "**CB Placing Agreement**") with Asian Capital (Corporate Finance) Limited (the "**CB Placing Agent**") pursuant to which the CB Placing Agent conditionally agreed to act as the placing agent, on a best effort basis, to place convertible bonds of the Company with a principal amount of up to HK\$150,000,000.

As announced by the Company in the Update Announcement, the Company considers that the CB Placing Agreement was terminated by the CB Placing Agent on 8 September 2015, and that the Acquisition Agreement lapsed on 1 September 2015.

As disclosed in the Annual Report 2014/2015, the Company has diversified into the business of money lending. Ban Loong Finance Company Limited, a wholly-owned subsidiary of the Company, holds a money lender licence under the provisions of the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and was set up to engage in the businesses of financial credit services such as personal loans, commercial loans and mortgages to individuals and corporations. The Directors are of the view that the Placing will be able to finance the new money lending business of the Group and also represents a good opportunity to broaden the shareholder base and capital base of the Company.

The terms of the Placing Agreement (including the Placing Price and the placing commission) were determined after arm's length negotiations between the Company and the Placing Agent. The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising exercises in the past twelve months immediately preceding the date of this announcement.

Date of announcement	Equity fund raising exercise	Net proceeds raised	Intended use of proceeds	Actual use of proceeds
24 April 2015	Placing of convertible bonds in an aggregate principal amount of HK\$150 million	A maximum of HK\$145 million	Partial funding of the major acquisition of the Company in relation to the acquisition of seven target companies as announced in the April Announcement	The Company considers that the placing of the convertible bonds was terminated by the placing agent on 8 September 2015.

Date of announcement	Equity fund raising exercise	Net proceeds raised	Intended use of proceeds	Actual use of proceeds
4 November 2014	Placing of new Shares under general mandate	HK\$37.07 million	(i) general working capital of the Company; (ii) repayment of a short-term bank loan of a subsidiary; and (iii) financing the money lending business of the Company	approximately HK\$10.4 million was used for general working capital of the group and the balance has not been utilized as of the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the completion of the Placing (assuming the Placing Shares were placed in full):

	As at the date of this announcement		Immediately upon completion of the Placing	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Mr. Fong For (<i>Note 1</i>)	331,068,000	16.67%	331,068,000	13.89%
Mr. Chow Wang (<i>Note 2</i>)	64,964,000	3.27%	64,964,000	2.72%
Public shareholders	1,590,383,200	80.06%	1,590,383,200	66.72%
Share Placees	—	—	397,280,000	16.67%
Total	<u>1,986,415,200</u>	<u>100.00%</u>	<u>2,383,695,200</u>	<u>100.00%</u>

Notes:

1. Mr. Fong For is a Non-executive Director of the Company
2. Mr. Chow Wang is an Executive Director of the Company.

UNUSUAL SHARE PRICE AND TRADING VOLUME MOVEMENT

The Board has noted the unusual share price and trading volume movement of the Shares on 9 September 2015. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Directors confirmed that, save as the matters disclosed in the Update Announcement and this announcement, the Company is not aware of any other reasons for the movement in price and trading volume of the Shares or of any information which must be announced to avoid a false market in the Shares or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

RESUMPTION OF TRADING

As requested by the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 10 September 2015 pending the release of the Update Announcement and this announcement which constitutes inside information of the Company. An application has been made for the resumption of trading of Shares on the Stock Exchange with effect from 9:00 a.m. on 11 September 2015.

Shareholders and potential investors of the Shares should note that the Placing is subject to the fulfillment or waiver of its conditions precedent and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“associate(s)”	having the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	ABC Communications (Holdings) Limited, a company incorporated in Bermuda with limited liability and whose Shares are listed on the Main Board of the Stock Exchange with stock code 30
“connected person(s)”	having the meaning ascribed thereto under the Listing Rules
“Directors”	directors of the Company

“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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
“Placee(s)”	any person(s) or entity(ies) procured by the Placing Agent or any of its sub-placing agent(s) to subscribe for any of the Placing Shares under the Placing
“Placing”	the best-effort placing of up to 397,280,000 Placing Shares on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	Convoy Investment Services Limited, a licensed corporation to carry on business in type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the agreement entered into between the Placing Agent and the Company dated 9 September 2015 in relation to Placing
“Placing Price”	HK\$0.189 per Placing Share
“Placing Shares”	a maximum of 397,280,000 Placing Shares to be placed under the Placing
“Refreshed General Mandate”	the refreshed general mandate which was granted to the Directors pursuant to an ordinary resolution passed at the Company’s special general meeting on 12 August 2015 to issue and allot up to 397,283,040 Shares, representing 20% of the aggregate nominal value of the share capital of the Company in issue on the date of passing such resolution

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	having the meaning ascribed thereto under the Listing Rules
“Update Announcement”	another announcement made by the Company on 10 September 2015 in relation to the lapse of the placing of convertible bonds and the lapse of the major transaction of the Company as disclosed in the Company’s announcement dated 27 April 2015 and the Company’s circular dated 20 July 2015
“%”	per cent

By Order of the Board of
ABC Communications (Holdings) Limited
Chow Wang
Chairman & Executive Director

Hong Kong, 10 September 2015

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

Executive Directors:

Mr. Chow Wang (*Chairman*)

Mr. Cheung Wai Shing

Mr. Xu Jian Zhong

Non-Executive Director:

Mr. Fong For

Independent Non-Executive Directors:

Mr. Jiang Zhi

Mr. Leung Ka Kui, Johnny

Ms. Wong Chui San, Susan