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ABC COMMUNICATIONS (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 30)

TERMINATION OF THE PLACING AND SUBSCRIPTION AGREEMENT

As disclosed in the announcement of the Company dated 18 October 2010, completion of the Placing shall take place on or before 1 November 2010 or such other date as the Vendor and the Placing Agents may agree. As at 1 November 2010, no Shares have been placed by the Vendor under the Placing and no Shares have been issued by the Company under the Subscription. After the close of trading of 1 November 2010, the Vendor, the Company and the Placing Agents have agreed that the deadline for the completion of the Placing will not be extended. Accordingly, having taken into account of, amongst other things, the recent market price of the Shares and the current market conditions, the Placing and Subscription Agreement was terminated by the Placing Agents with immediate effect, whereupon all parties to the Placing and Subscription Agreement shall be released and discharged from all rights, obligations and liabilities in relation to the Placing and Subscription Agreement and no party shall have any claims against any other parties.

Reference is made to the announcement of the Company dated 18 October 2010 (the “**Announcement**”) relating to the placing and subscription of up to 30,000,000 Shares at the price of HK\$1.15 per Share on a best effort basis. Unless otherwise stated, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, completion of the Placing shall take place on or before 1 November 2010 or such other date as the Vendor and the Placing Agents may agree. As at 1 November 2010, no Shares have been placed by the Vendor under the Placing and no Shares have been issued by the Company under the Subscription. After the close of trading of 1 November 2010, the Vendor, the Company and the Placing Agents have agreed that the deadline for the completion of the Placing will not be extended. Accordingly, having taken into account of, amongst other things, the recent market price of the Shares and the current market conditions, the Placing and Subscription Agreement was terminated by the Placing Agents with immediate effect, whereupon all parties to the Placing and Subscription Agreement shall be released and discharged from all rights, obligations and liabilities in relation to the Placing and Subscription Agreement and no party shall have any claims against any other parties.

The Directors are of the view that the termination of the Placing and Subscription Agreement shall pose no material adverse effect on the financial and operational positions of the Company.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

By order of the Board
ABC Communications (Holdings) Limited
Cheung Wai Shing
Executive Director

Hong Kong, 1 November 2010

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

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

Executive Directors:

Mr. Chen Jiasong (*Deputy Chairman*)
Mr. Wang Zhi Gang
Mr. Cheung Wai Shing
Mr. Zhao Bao Long

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