

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or a solicitation of an offer to acquire, purchase or subscribe for any securities of the Company. None of the Bonds will be offered to the public in Hong Kong or elsewhere.



ABC COMMUNICATIONS (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 30)

ANNOUNCEMENT
INSIDE INFORMATION RELATING TO THE PROPOSED ISSUE OF
UP TO HK\$400,000,000 5.5% PER ANNUM
BONDS DUE 2020
AND
UNUSUAL PRICE AND TRADING VOLUME MOVEMENT
AND
RESUMPTION OF TRADING

Placing Agent



Convoy Investment Services Limited

On 25 July 2013 (after trading hours), the Company entered into the Placing Agreement with Convoy, whereby the Company has agreed to issue and Convoy has agreed, on a best efforts basis, to act as placing agent to procure subscribers to subscribe for the Bonds of up to HK\$400,000,000 in principal amount.

The maximum gross and net proceeds from the Bonds Issue will be approximately HK\$400,000,000 and HK\$368,000,000. The Company intends to use the net proceeds from the Bonds Issue as to (i) not less than 70% of the net proceeds for financing any investment opportunities identified by the Group; (ii) not more than 20% of the net proceed for financing future development costs of the Mining Assets of the Group; and (iii) not more than 10% of the net proceeds for general working capital of the Group.

The Bonds will not be listed on any stock exchange. None of the Bonds will be offered to the public in Hong Kong.

Shareholders and potential investors should note that under the Placing Agreement, the Placing is undertaken on a best effort basis. As the Placing may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

At the request of the Company, trading in the Shares of the Company on the Stock Exchange was halted with effect from 11:25 a.m. on 24 July 2013 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 26 July 2013.

INTRODUCTION

This announcement is made by the Company pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO and Rule 13.09 of the Listing Rules.

On 25 July 2013 (after trading hours), the Company entered into the Placing Agreement with Convoy, whereby the Company has agreed to issue and Convoy has agreed, on a best efforts basis, to act as placing agent to procure subscribers to subscribe for the Bonds of up to HK\$400,000,000 in principal amount.

THE PLACING AGREEMENT

Date

25 July 2013 (after trading hours)

Parties

Issuer: the Company

Placing Agent: Convoy

Pursuant to the Placing Agreement, Convoy has agreed to act as placing agent (either by itself or through its sub-placing agents) for the purpose of procuring subscribers to subscribe for the Bonds on a best efforts basis. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Convoy and its ultimate beneficial owners is a third party independent of and not connected with the Company or its connected persons.

The minimum subscription amount per placee shall be HK\$10,000,000. Convoy will use its best endeavours to ensure that the placees and their ultimate beneficial owners will not be connected persons of the Company, and will be third parties independent of, and not connected with the Company, the directors, chief executives or substantial shareholders (as defined in the Listing Rules) of the Company or any of its subsidiaries or their respective associates.

Subscription Agreement

Upon the successful procurement of Convoy, each Bondholder will sign a separate subscription agreement with the Company and the Guarantor for the subscription of the Bonds by the relevant Bondholder.

The Guarantor's Guarantees

Under the terms of the draft subscription agreement, the Guarantor will irrevocably and unconditionally undertake to the Subscriber the due and punctual performance by the Company of all its obligations under this Agreement and the Bond Instrument.

It is a condition of the draft subscription agreement that the Guarantor will continue to maintain its present interests in the Mining Assets and will not dispose, transfer or sell any of such interests until the maturity of the Bonds, save where bondholders holding more than 50% of the outstanding principal value of the Bonds consent in writing to the disposal or where a meeting of bondholders is held and the disposal is approved by more than 50% in principal value of those bondholders who vote by proxy or in person at such meeting. The Guarantor undertakes that it will not engage in any other business other than as an investment holding company of the Mining Assets.

Completion of the Placing

Completion shall take place in not more than four tranches on or before 25 January 2014 (being the long stop date for completion of the Placing). The minimum subscription amount per tranche of completion shall be HK\$100,000,000, except that there is no minimum subscription amount for the last tranche of completion. The timing of completion for a relevant tranche shall be agreed by the Company and the Placing Agent.

No listing of the Bonds

The Bonds will not be listed on any stock exchange.

No public offer of the Bonds

None of the Bonds will be offered to the public in Hong Kong.

PRINCIPAL TERMS OF THE BONDS

Bonds Offered

Aggregate principal amount of up to HK\$400,000,000.

Issue Price

100% of the principal amount of the Bonds.

Denomination

HK\$2,000,000 each or integral multiples thereof.

Interest

The Bonds will bear interest from their respective dates of issue at the rate of 5.5% per annum, payable semi-annually in arrears provided that the first interest payment date shall fall on 31 March 2014.

Maturity

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their outstanding principal amount with any interest or other payment accrued and unpaid thereon on the seventh anniversary of their respective dates of issue.

Early redemption by Bondholder

Any Bondholder shall have the right at any time after the fourth anniversary of the issue date of the Bonds until the maturity date to request the Company to redeem the whole or part of the outstanding Bonds at a redemption amount equivalent to 80% of the outstanding principal amount (in full and final settlement of the entire outstanding principal amount) with any interest or other payment accrued and unpaid thereon, provided that any redemption shall be made in amounts of not less than a whole multiple of HK\$2,000,000.

Early redemption by Company

The Company shall have the right at any time after the fifth anniversary of the issue date of the Bonds until the maturity date to redeem the whole or part of the outstanding Bonds at the outstanding principal amount with any interest or other payment accrued and unpaid thereon.

Status of the Bonds

The Bonds will constitute direct, unconditional, unsubordinated and unsecured contractual obligations of the Company which will rank *pari passu* among themselves and at all time rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Company.

The Bonds do not carry any right of conversion or exchange into the shares of the Company. The Bonds do not carry any entitlement of voting by the Bondholders at any Shareholders' meeting of the Company, nor do they carry any right to dividends, distribution of profits or return of capital.

Transferability

Any Bondholder may assign or transfer the outstanding Bonds to other transferees with the prior written consent from the Company, such consent not to be unreasonably withheld. The amount transferred can be in whole or in part, but in each case must be in the multiples of HK\$2,000,000.

Event of Default

The Bonds are subject to customary event of default provisions including, *inter alia*, default in payment, material default in performance of the terms of the Bonds, material breach of warranties given by the Company or the Guarantor, dissolution of the Company, unauthorized disposal of all or substantially all assets by the Company or the Guarantor, possession or receivership, distress execution or seizure, bankruptcy or composition with creditors,

commencement of bankruptcy proceedings, delisting on the Stock Exchange, unauthorized merger or amalgamation, and cross default of other present or future indebtedness of the Company or the Guarantor.

If any of the events of default as described in the terms and conditions of the Bonds occurs, subject to the approval by a resolution of the Bondholders passed in a meeting of the Bondholders (held in accordance with the requirements and procedures set out in the instrument creating the Bonds) or in writing by the requisite majority of Bondholders, a Bondholder may give a notice of default to the Company whereupon the outstanding principal amount of the Bonds shall then become immediately due and payable.

REASONS FOR THE PLACING

The Company is an investment holding company. The Group is principally engaged in (a) exploration and exploitation of mineral resources; (b) financial quotation services and securities trading system licensing; and (c) wireless applications development.

On the assumption that Bonds in the maximum principal amount of HK\$400,000,000 are issued successfully, the maximum gross proceeds from the Bond Issue are expected to be HK\$400,000,000 and the net proceeds from the Bonds Issue are expected to be approximately HK\$368,000,000. The Company intends to use the net proceeds from the Bonds Issue as to (i) not less than 70% of the net proceeds for financing any investment opportunities identified by the Group; (ii) not more than 20% of the net proceed for financing future development costs of the Mining Assets of the Group; and (iii) not more than 10% of the net proceeds for general working capital of the Group. As at the date of this announcement, except for the entering into the non-legally binding Memorandum of Understanding dated 16 May 2013 in relation to the proposed acquisition of the entire issued share capital and all shareholders' loans of Giant Purity Limited, details of which have been disclosed in the Company's announcement dated 16 May 2013, the Company has not identified any other potential investment opportunity.

The Directors are of the view that the Placing will strengthen the financial position of the Group, as well as providing working capital to the Group to meet any future obligations for potential investments of the Company. The Directors consider that the terms of the Placing Agreement and the Bonds are fair and reasonable based on the current market conditions. Accordingly, the Board considers that the transactions contemplated by the Placing Agreement and the Bonds are in the interests of the Company and the shareholders as a whole.

Shareholders and potential investors should note that under the Placing Agreement, the Placing is undertaken on a best effort basis. As the Placing may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

UNUSUAL PRICE AND TRADING VOLUME MOVEMENT

The Board of the Company has noted the increase in price and trading volume of the shares of the Company in 24 July 2013. Having made such enquiry with respect to the Company as is reasonable in the circumstances, save as the Bond Issue disclosed in this announcement, we confirm that we are not aware of any reasons for these price and trading volume movements or of any information which must be announced to avoid a false market in the Company's securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance.

This statement is made by the order of the Board of the Company. The Board collectively and individually accepts responsibility for the accuracy of this statement.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares of the Company on the Stock Exchange was halted with effect from 11:25 a.m. on 24 July 2013 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 26 July 2013.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“Board”	board of Directors
“Bonds”	5.5% per annum bonds to be issued by the Company in an aggregate principal amount of up to HK\$400,000,000 maturing on the seventh anniversary of the date of issue
“Bondholder(s)”	holder(s) of the Bonds from time to time
“Bonds Issue”	the proposed issue of the Bonds by the Company

“Company”	ABC Communications (Holdings) Limited, a company incorporated in Bermuda with limited liability, and the shares of which are listed on the main board of the Stock Exchange (stock code: 30)
“connected person”	has the meaning ascribed thereto in the Listing Rules
“Convoy”	Convoy Investment Services Limited, a licensed Hong Kong Company to carry out type 1 (dealing in securities), type 2 (dealing in future contracts), type 4 (advising on securities) and type 9 (asset management) regulated activities under SFO
“Directors”	directors of the Company
“Guarantor”	Jun Qiao Limited, a 60% owned subsidiary of the Company and the holding company of the Mining Assets
“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
“Mining Assets”	the Group’s mining assets in Yin Di Mining Area and Li Zi Yuan Mining Area in Henan Province, China and Hu Lei Si De Mining Area in XinJiang Uygur Autonomous Region, China
“Placing”	the placing of the Bonds pursuant to the terms set out in the Placing Agreement
“Placing Agreement”	the placing agreement dated 25 July 2013 between the Company and Convoy in relation to the Placing

“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Hong Kong, 25 July 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. 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. Yau Chung Hang

Mr. Zhang Guang Hui

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