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ABC COMMUNICATIONS (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 30)

DISCLOSEABLE TRANSACTION

Further to the Company's announcement dated 1 December 2005 and circular to the Shareholders dated 19 December 2005 in relation to a subscription for shares in eMobile, the Directors wish to announce that on 26 April 2006, ABC Global, a wholly owned subsidiary of the Company, agreed to participate in a further round of financing for eMobile by entering into the New Subscription Agreement pursuant to which eMobile conditionally agreed to allot and issue to, among others, ABC Global, and ABC Global conditionally agreed to subscribe for, 3,011 Series A-2 Preferred Shares for an aggregate consideration of JPY255,935,000 (equivalent to approximately HK\$17,352,700).

Immediately following completion of the New Subscription Agreement, ABC Global will be directly interested in 3,011 Series A-2 Preferred Shares, representing approximately 0.94% of this second issue of Series A-2 Preferred Shares, and which together with the 6,666 Series A-1 Preferred Shares (subscribed for under the Subscription Agreement), represents approximately 0.47% of the total issued share capital of eMobile. The entering into of the New Subscription Agreement is a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules as the consideration payable by ABC Global pursuant to the New Subscription Agreement represents more than 5% but less than 25% of the applicable percentage ratios.

INTRODUCTION

Shareholders are referred to the announcement of the Company dated 1 December 2005 and the circular to the Shareholders dated 19 December 2005 in relation to the subscription by the Company for 6,666 Series A-1 Preferred Shares at a consideration of JPY75,000 for each share. The Company has now agreed to participate in a further round of financing for eMobile by entering into the New Subscription Agreement.

THE NEW SUBSCRIPTION AGREEMENT DATED 26 APRIL 2006

Parties

- i) eMobile;
- ii) eAccess; and
- iii) the Investors.

Transactions pursuant to the New Subscription Agreement

Pursuant to the New Subscription Agreement, eMobile has conditionally agreed to allot and issue to the Investors a total of 320,929 Series A-2 Preferred Shares for an aggregate consideration of JPY27,278,965,000 (equivalent to approximately HK\$1,849,546,549), being JPY85,000 for each Series A-2 Preferred Share. ABC Global has conditionally agreed to subscribe for 3,011 of such Series A-2 Preferred Shares for an aggregate consideration of JPY255,935,000 (equivalent to approximately HK\$17,352,700), representing approximately 0.94% of this second issue of Series A-2 Preferred Shares.

Such additional Series A-2 Preferred Shares will rank *pari passu* in respect of dividends and return on capital on a dissolution with those Series A-1 Preferred Shares and Series A-2 Preferred Shares already in issue. As at the date hereof, there are 330,348 Series A-2 Preferred Shares in issue.

Immediately before the completion of the New Subscription Agreement, ABC Global was directly interested in 6,666 Series A-1 Preferred Shares (subscribed for under the Subscription Agreement), which represented approximately 0.39% of the total issued share capital of eMobile. Immediately following the completion of the New Subscription Agreement, ABC Global will be directly interested in an aggregate of 3,011 Series A-2 Preferred Shares and 6,666 Series A-1 Preferred Shares (subscribed for under the Subscription Agreement), which represent approximately 0.47% of the total issued share capital of eMobile.

The issued share capital of eMobile currently consists of 607,000 ordinary shares of common stock, 333,333 Series A Preferred Shares, 433,335 Series A-1 Preferred Shares and 330,348 Series A-2 Preferred Shares. Immediately following completion of the New Subscription Agreement, the issued share capital of eMobile will comprise 607,000 Ordinary Shares, 333,333 Series A Preferred Shares, 433,335 Series A-1 Preferred Shares and 651,277 Series A-2 Preferred Shares.

Consideration

The consideration for each Series A-2 Preferred Share is JPY85,000 and the aggregate consideration payable by ABC Global is JPY255,935,000 (equivalent to approximately HK\$17,352,700), which will be paid by ABC Global to eMobile on the Issue Date in cash from the internal resources of the Group. The consideration payable for Series A-2 Preferred Shares to be subscribed for by ABC Global has been arrived at after arm's length negotiations with reference to (i) the further capital required by eMobile to complete the establishment of the network and commence operations as a mobile telephone operator in Japan and (ii) the future prospects of eMobile operating a mobile telephone network within the Japanese mobile telephone market.

Conditions

The obligations of the Investors under the New Subscription Agreement to subscribe and pay for the Series A-2 Preferred Shares are conditional upon, among others:–

- (a) there being no cancellation, revocation, or other restriction of, or any written notice or threatened action in writing of cancellation, revocation or other restriction of, the Mobile Spectrum Plan or any other governmental licenses obtained pursuant thereto, approved by MIC or any other governmental authority; and
- (b) the expiry, without any notice of objection, of the thirty day waiting period (or any extension thereof) with respect to all non-Japanese Investors' direct inward investment, as required under the Foreign Exchange and Foreign Trade Law of Japan.

Completion

Completion under the New Subscription Agreement will take place on the later of:–

- (i) 35 days after 26 April 2006, or
 - (ii) 2 Business Days after the satisfaction of the conditions set out above,
- or such later or earlier date as the parties may agree.

If completion shall not have occurred in respect of each Investor by 15 June 2006 (or such later date as may be agreed between eMobile and such Investor), each party to the New Subscription Agreement shall thereupon be entitled to terminate the New Subscription Agreement in respect of itself.

Information on eMobile

eMobile is a private company organized pursuant to the laws of Japan and is an Independent Third Party.

eMobile was formed in March 2005 for the purpose of making a bid for a licence to operate a mobile telephone network within Japan (the "Licence"). eMobile was granted the Licence in November 2005. It is in the process of establishing the network, and has not yet commenced service.

Information on eAccess

eAccess is a company organized pursuant to the laws of Japan and whose shares are listed and traded on the TSE. eAccess is a provider of broadband services in Japan, in which the Company has invested since early 2001. As at the date of this announcement, the Company is interested in 1.364% of the total issued share capital of eAccess. eAccess is an Independent Third Party.

REASONS FOR ENTERING INTO THE NEW SUBSCRIPTION AGREEMENT

The principal activity of the Company is investment holding and the principal subsidiaries of the Company are involved in the provision of financial quotations, software licensing and mobile applications development. The Company has been an investor in eAccess since 2001 and is satisfied with the results of its investment. The Directors believe that the further investment in eMobile represents a good opportunity to maintain its position in eMobile and presence in the Japanese mobile telephone market in conjunction with a management team known to the Company through its investment in eAccess.

The Directors consider that the entry into of the New Subscription Agreement is in the interests of the Company and the Shareholders as a whole. The Directors (including independent non-executive Directors) also consider the New Subscription Agreement to be on normal commercial terms and in the ordinary and usual course of business of the Company, and the terms of the New Subscription Agreement are fair and reasonable so far as the Company and the Shareholders are concerned.

IMPLICATIONS UNDER THE LISTING RULES

If aggregated with the previous subscription in eMobile under the Subscription Agreement, the entering into of the New Subscription Agreement is a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules, as the consideration already paid under the Subscription Agreement and payable under the New Subscription Agreement represents more than 5%, but less than 25% of the applicable percentage ratios.

GENERAL

A circular in relation to the New Subscription Agreement will be despatched to shareholders of the Company as soon as practicable.

DEFINITIONS

“ABC Global”	ABC Global Limited, a wholly owned subsidiary of the Company
“Board”	the board of directors of the Company
“Business Day”	a day (excluding Saturday, Sunday or public holiday) on which banks are open for business in Tokyo and New York
“Company”	ABC Communications (Holdings) Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange
“Connected persons”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“eAccess”	eAccess Ltd, a company organized pursuant to the laws of Japan whose shares are listed on the TSE
“eMobile”	eMobile Ltd, a private company organized pursuant to the laws of Japan
“Group”	the Company and/or its subsidiaries from time to time
“HK\$”	Hong Kong dollars
“Independent Third Parties” or “Independent Third Party”	person(s) who, or company(ies) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, is/are third party(ies) independent of the Company and its Connected Persons
“Investors” or “Investor”	companies affiliated with Goldman Sachs and other investors (all of whom are Independent Third Parties) and ABC Global

“Issue Date”	date of completion of the issue under the New Subscription Agreement to take place on the later of (i) 35 days after 26 April 2006 or (ii) 2 Business Days after the satisfaction of the conditions set out in the New Subscription Agreement, or such other date as the parties may agree
“JPY”	Japanese yen
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“MIC”	The Ministry of Internal Affairs and Communication of Japan
“Mobile Spectrum Plan”	the specified mobile communication base station deployment plan pursuant to Article 27-13 of the Radio Law in respect of the 1.7GHz mobile spectrum approved by the MIC on 10 November 2005
“Shareholders”	the shareholders of the Company
“New Subscription Agreement”	the new subscription agreement dated 26 April 2006 entered into between, among others, eMobile and ABC Global in relation to the subscription of an aggregate of 320,929 Series A-2 Preferred Shares
“Subscription Agreement”	the subscription agreement dated 21 November 2005 entered into between, among others, eMobile and ABC Global in relation to the subscription of an aggregate of 433,335 Series A-1 Preferred Shares
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“TSE”	the Tokyo Stock Exchange in Japan

Yours faithfully,
For and on behalf of the Board
ABC Communications (Holdings) Limited
Patricia Yeung
Managing Director

9 May 2006

As at the date hereof, the board of Directors of the Company comprises Mr. George Joseph Ho, Mr. Joey Fan and Ms. Yeung Shuk Kwan, Patricia as Executive Directors, and Mr. Tse Chi Hung, Michael, Mr. George Ho, Mr. Fu Hau Chak, Adrian*, Mr. Leung Kwok Kit, Mr. Li Kwok Sing, Aubrey*, Mr. Kwok Chi Hang, Lester* and Mr. David Miao as Non-Executive Directors.

* *independent non-executive Directors*

Note: For the purpose of this announcement, the following exchange rate has been used for conversion into Hong Kong dollars for indication purposes only: JPY1 = HK\$0.06780119952.

Please also refer to the published version of this announcement in The Standard.