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HYCOMM WIRELESS LIMITED

華脈無線通信有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 00499)

DISCLOSEABLE TRANSACTION RELATING TO THE PROVISION OF LOAN

The Board announces that on 8 August 2011, the Lender, a subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to extend to the Borrower a loan facility in the amount up to HK\$5,000,000 for a term of up to 4 months. The Loan is to be secured by the Guarantee.

As the relevant Percentage Ratio in respect of the making of the Loan when aggregated with the interest accrued thereon and the Previous Loan is more than 5% but below 25%, the entering into of the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

THE LOAN AGREEMENT

Date:	8 August 2011
Lender:	Classic Charter Limited, a company incorporated in Hong Kong and a subsidiary of the Company
Borrower:	Hong Kong Finance Company Limited, a company incorporated in Hong Kong
Principal Amount:	up to Hong Kong Dollars Five Million only (HK\$5,000,000)
Term:	4 months from the drawdown date
Interest:	7% per annum on the principal amount of the Loan
Securities Document:	a joint and several guarantee given by Mr. Chan Koung Nam and Mr. Chan Kwong Yin, William

* For identification purposes only

INFORMATION ON THE GROUP

The Company is an investment holding company. The Group is principally engaged in the businesses of property investment, provision of loan financing and operating the leasing of car parking spaces.

INFORMATION ON THE BORROWER

The Borrower is an investment company incorporated in Hong Kong, which engaged in the business of provision of loan financing. Mr. Chan Koung Nam and Mr. Chan Kwong Yin, William together hold the entire beneficial interests in the Borrower.

To the best knowledge, information and belief of the Directors having made all reasonable enquiry and as confirmed by the Borrower, the Borrower and its ultimate beneficial owners are Independent Third Parties not connected with the Company and connected persons of the Company.

REASONS FOR PROVISION OF THE LOAN

Provision of loan financing is the ordinary and usual course of business activity of the Group. Given the current business environment, the Board considered that the provision of the Loan can provide a stable income stream to the Group.

The terms of the Loan including the interest rate were determined with reference to the commercial practice and the terms of doing business of those companies engaging in money lending business in Hong Kong. The Loan will be funded by internal resources of the Group.

The Directors consider that the transaction contemplated by the Loan Agreement is on normal commercial terms and the terms of the Loan Agreement are fair and reasonable and are in the interests of the Company and its shareholders as a whole having considered the current market norm in relation to similar transactions and having taken into account the costs of borrowing in providing the Loan to the Borrower.

The Loan was drawn on 8 August 2011 and will be recorded as loan receivable under current asset of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant Percentage Ratio in respect of the making of the Loan when aggregated with the interest accrued thereon and the Previous Loan is more than 5% but below 25%, the entering into of the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	Hong Kong Finance Company Limited, a company incorporated in Hong Kong
“Company”	HyComm Wireless Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Guarantee”	the joint and several guarantee given by Mr. Chan Koung Nam and Mr. Chan Kwong Yin, William
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) who, together with his/her ultimate beneficial owner(s) is/are persons independent of the Company and its connected persons
“Lender”	Classic Charter Limited, a company incorporated in Hong Kong with limited liability and a subsidiary of the Company
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Loan”	a loan facility of up to HK\$5,000,000 granted by the Lender to the Borrower pursuant to the Loan Agreement
“Loan Agreement”	the loan agreement dated 8 August 2011 entered into between the Lender and the Borrower relating to the granting of the Loan
“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“Previous Loan”	a loan facility of up to HK\$6,000,000 granted by the Lender to Mr. Chan Koung Nam and Mr. Chan Kwong Yin, William pursuant to a loan agreement dated 21 July 2011;

“Share(s)”	ordinary share(s) of HK\$0.1 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

On behalf of the Board
HyComm Wireless Limited
Kong Lingbiao
Chairman

Hong Kong, 8 August 2011

As at the date of this announcement, the Executive Directors of the Company are Mr. Kong Lingbiao, Mr. Liu Shun Chuen, and Mr. Yeung Sau Chung and the Independent Non-Executive Directors of the Company are Mr. Wu Wang Li, Mr. Ng Wai Hung and Mr. Jacobsen William Keith.