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*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8025)

## **FINANCIAL INFORMATION OF THE COMPANY'S IPTV DIVISION, SATISFACTION OF THE REQUIREMENTS OF RULE 17.26 OF THE GEM LISTING RULES, AND RESUMPTION OF TRADING**

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules.

On 2 November 2009 the Company announced that the Board has determined that it is in the best interests of the Company, and the Company's shareholders as a whole, to initiate the closure of the business operations of Ever-OK, with immediate effect. The Board now provides the relevant financial information of the IPTV Division.

Given that as at 30 June 2009, the intangible assets of the Company, which are wholly comprised of the broadcast permit and license and the combined goodwill which is held by Guangzhou Wavecom, were valued at approximately HK\$205,418,000, the Board is of the view that after the closure of the business operations of Ever-OK that the Company will possess a high level of intangible assets for which sufficient potential value can be demonstrated to the Exchange to warrant the continued listing of the Company's securities, such that the requirements of Rule 17.26 of the GEM Listing Rules are satisfied. Furthermore, given that as at the Latest Practicable Date Guangzhou Wavecom has concluded a contract for the provision of IPTV services to an established client base of approximately 50,000 consumers and has achieved revenue streams and turnover from the provision of IPTV services to this established client base, the Board is also of the view that the Company currently has a sufficient level of operations to warrant the continued listing of the Company's securities, such that the requirements of Rule 17.26 of the GEM Listing Rules are satisfied.

At the request of the Company, trading in the Company's shares on the Stock Exchange has been suspended with effect from 10:00 a.m. on 3 November 2009, pending the release of this announcement. An application will be made to the Stock Exchange for the resumption of trading in the Company's shares on the Stock Exchange with effect from 9:30 a.m. on 6 November 2009.

**Holders of the securities of the Company and potential investors are advised to exercise caution when dealing in the Company's shares.**

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules by the Board of the Company.

Reference is made to the Announcement regarding the initiation of the closure of the business of a subsidiary in which the Company holds a 60% interest.

## **BACKGROUND OF THE IPTV DIVISION**

### *Background of the IPTV Division*

Guangzhou Wavecom is beneficially owned as to 100% by the Company. Its principal activities are acting as advertising agent on television and radio channels in the PRC. Based on the audited financial information of Guangzhou Wavecom prepared under Hong Kong generally accepted accounting principles, Guangzhou Wavecom recorded a net profit after tax of approximately RMB155,000 (equivalent to approximately HK\$162,750), net loss after tax of approximately RMB741,000 (equivalent to approximately HK\$778,050), net loss after tax of approximately RMB138,000 (equivalent to approximately HK\$144,900), and a net profit after tax of approximately RMB278,685 (equivalent to approximately HK\$293,792) for the four years ended 31 December 2008.

Guangzhou Wavecom entered into an acquisition agreement to acquire South Pearl on 17 May 2007 whereby Guangzhou Wavecom agreed to inject capital in the amount of RMB25,000,000 to South Pearl. South Pearl is now beneficially owned as to 45% by Guangzhou TV and as to 55% by Guangzhou Wavecom. In this way, Guangzhou Wavecom bore a capital commitment of RMB25,000,000, which has been injected into the assets and equipment of South Pearl as at the Latest Practicable Date. As a result, the Acquisition also effectively involved the acquisition of the 55% interest in South Pearl which has been acquired by Guangzhou Wavecom.

South Pearl has commenced its business operations after its acquisition by Guangzhou Wavecom. South Pearl is principally engaged in the IPTV industry as an operator and content provider. Services include but are not limited to: audio-visual services such as (a) television programs on demand; (b) television programs download; (c) KTV on demand; (d) music on demand; and (e) video broadcast live and other services such as (i) TV shopping; (ii) online education; and (iii) online securities. South Pearl has negotiated with Guangzhou Television Broadcast Microwave General Station (廣州市廣播電視微波總站), the holder of "Broadcast of Audio-Video Program On Web Permit" (信息網路傳播視聽節目許可證), an exclusive service agreement under which South Pearl acts as the exclusive service provider of Guangzhou Television Broadcast Microwave General Station in respect of, among others, contents of the programmes, advertising and promotion services

and other related services in relation to the IPTV services. It is a prerequisite to get such license in order to provide IPTV services in the PRC. The signing of the abovementioned agreement has ensured that South Pearl has the right to act as an IPTV operator in the southern region of the PRC. In other words, South Pearl makes use of the licenses possessed by Guangzhou Television Broadcast Microwave General Station in order to provide IPTV services.

South Pearl directly receives subscription fees from the customers in respect of the IPTV services and the initial term of the agreement is five years subject to subsequent renewal as agreed by the parties. Accordingly, the Acquisition also effectively involved the acquisition of South Pearl's cooperation arrangement with Guangzhou Television Broadcast Microwave General Station as mentioned above.

### *Overview of the IPTV industry in the PRC*

IPTV is television content that, instead of being delivered through traditional broadcast and cable formats, is received by the viewer through the technologies used for computer networks. IPTV can deliver either live television program or stored video. It can be bundled with other IPTV services, including voice over internet protocol and high-speed internet access.

In traditional television delivery, all programming is broadcast simultaneously. The available program signals flow downstream and the viewer selects which program he wants to watch by changing the channel. IPTV, by contrast, sends only one program at a time. Content remains on the service provider's network and only the program the customer selects is sent to the home. When a viewer changes the channel, a new stream is transmitted from the provider's server directly to the viewer.

According to a research published by IDC which is a provider of market intelligence in relation to the information technology market, namely China IPTV 2007-2011 Forecast and Analysis, the number of IPTV subscribers in the PRC is forecasted to reach 14,500,000 in 2011. IPTV is at its initial stage of development in the PRC. The public awareness of the IPTV service is increasing. The number of IPTV subscribers in the PRC increased from approximately 46,000 in 2004 to approximately 1,012,000 in the third quarter of 2007. Due to increasingly relaxed policies, proliferation of new business models, improving technology standards, increased network loading capacity, greater user awareness, and increased cooperation within the industry, IDC believes that China has the greatest potential to become the largest IPTV market in the Asia/Pacific (excluding Japan) region. Such a growth will provide market potential for different participants in the IPTV industry such as the operators, content providers and hardware manufacturers.

### *Reasons for and benefits of the Acquisition*

Prior to the Acquisition, the Board had been seeking investment opportunities to broaden the Group's income base and to expand the Group's business operations. The Board had considered the following factors, including but not limited to the Group's then existing investments in the logistics services and information technology sectors, and the returns that were being achieved therefrom. The Board was satisfied that the Acquisition was in line with its existing information technology platform and now provides a basis for the expansion of this platform in the area of the provision of IPTV services to the Southern China Region. The Acquisition presented

an opportunity for the Group to expand its existing business structure and to provide an opportunity to enlarge the revenue base of the Group.

## **FINANCIAL INFORMATION OF THE IPTV DIVISION**

On 12 September 2008 the Company announced that it had completed the acquisition of Guangzhou Wavecom, which operates the Company's IPTV Division, on 11 September 2008. The Board now provides the relevant financial information of the IPTV Division, up to and as at the Latest Practicable Date.

### *Classification of the Acquisition of the IPTV Division as a Very Substantial Acquisition*

Prior to announcing that the Company had entered into the Agreement for the Acquisition of Guangzhou Wavecom on 24 December 2007, the Company was required to conduct the five tests, as required by Rule 19.05 of the GEM Listing Rules, to determine the percentage ratios of the acquisition, such that the Acquisition could be properly classified. Having determined the five percentage ratios as set out in Rule 19.07 of the GEM Listing Rules, the Acquisition was properly classified as a very substantial acquisition, as defined in Rule 19.06(5) of the GEM Listing Rules. One reason that the Acquisition was properly classified as a very substantial acquisition was that the assets ratio was greater than 100%.

In determining the assets ratio, the Board had regard for the fact that the valuation of Guangzhou Wavecom, as at 24 December 2007, was stated to be RMB 207 million, which at the time translated to approximately HK\$220 million, whereas the consolidated total assets of the Company as at the same point in time were only HK\$35,808,000. Hence the assets ratio exceeded 100%, and was in fact determined to be approximately 614%.

### *Financial Information of the IPTV Division as at 28 February 2008*

Reference is made to the Circular. In the Circular, in the section entitled 'Unaudited Pro Forma Financial Information on the Enlarged Group', commencing on page III-1 of the Circular, it is stated on page III-5 of the Circular that as at 28 February 2008, the combined goodwill and intangible assets of the Group, as enlarged by the Acquisition of Guangzhou Wavecom, totaled approximately HK\$160,364,000. Thus, at the time of the Acquisition of Guangzhou Wavecom, the total goodwill and intangible assets of Guangzhou Wavecom comprised approximately 78% of the total assets of the Company, both current and non-current, as enlarged by the Acquisition of Guangzhou Wavecom, including those assets attributable to the business operations of Ever-OK.

### *Financial Information of the IPTV Division as at 31 December 2008*

Reference is made to the Annual Report. In the Annual Report, in the section entitled 'Notes to the Financial Statements', 'Note 17 Intangible Assets' states that the intangible assets of Group, which are wholly comprised of the broadcast permit and license and the combined goodwill which is held by Guangzhou Wavecom, totaled approximately HK\$219,585,000 as at 31 December 2008. Thus, as at 31 December 2008, the total intangible assets of Guangzhou Wavecom comprised approximately 84% of the total assets of the Company, both current and non-current, including those assets attributable to the business operations of Ever-OK.

### *Financial Information of the IPTV Division as at 30 June 2009*

Reference is made to the Interim Report In the Interim Report, in the section entitled ‘Consolidated Balance Sheet’, the intangible assets of the Group, which are wholly comprised of the broadcast permit and license and the combined goodwill which is held by Guangzhou Wavecom, totaled approximately HK\$205,418,000 as at 30 June 2009. Thus, as at 30 June 2009, the total intangible assets of Guangzhou Wavecom comprised approximately 80% of the total assets of the Company, both current and non-current, including those assets attributable to the business operations of Ever-OK.

### *Level of Operations and Turnover of the IPTV Division at the Latest Practicable Date*

As at the Latest Practicable Date, Guangzhou Wavecom has concluded a contract for the provision of IPTV services to an established client base of approximately 50,000 consumers. The duration of the contract for the provision of IPTV services to the established client base of approximately 50,000 consumers is without a fixed term. The revenue streams and turnover that the IPTV Division has received from the provision of IPTV services in the third quarter of 2009 total HK\$4,534,808, which will be reflected in the Company’s 2009 third quarterly report, which is expected to be published on or soon after 10 November 2009.

### *Investment of RMB 25 Million into the IPTV Division*

Furthermore, in the Interim Report, under the heading ‘Subsequent Events’, it is stated that “The Board has carried out and completed a due diligence check regarding the investment of RMB 25 million into the IPTV services project and is satisfied that as at July 2009 the sum of RMB 25 million has been duly invested in the necessary assets and equipment that will form the basis for the launch of the IPTV services.” The invested sum of RMB 25 million will be reflected in consolidated balance sheet of the Company’s 2009 annual report.

### *The Company’s Consolidated Balance Sheet as at 30 June 2009*

For ease of reference the Company’s consolidated balance sheet, as set out in the Interim Report, is reproduced as follows:

#### **“CONSOLIDATED BALANCE SHEET**

	Unaudited	Audited
	As at	As at
	30 Jun 2009	31 Dec 2008
	HK\$’000	HK\$’000
<b>Non-current assets</b>		
Property, plant and equipment	2,757	3,215
Intangible Assets	205,418	219,585
	-----	-----
	208,175	222,800
	-----	-----

<b>Current assets</b>		
Trade and other receivables	43,842	32,914
Cash and bank balances	4,458	6,543
	-----	-----
	48,300	39,457
	-----	-----
<b>Current liabilities</b>		
Bank overdraft – unsecured	-	126
Trade and other payables	174,894	165,527
Amount due to a director	6,353	-
Tax payable	215	222
	-----	-----
	181,462	165,875
	-----	-----
<b>Net current assets/(liabilities)</b>	(133,162)	(126,418)
	-----	-----
<b>Total assets less current liabilities</b>	75,013	96,382”
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## SATISFACTION OF THE REQUIREMENTS OF RULE 17.26 OF THE GEM LISTING RULES

Rule 17.26 of the GEM Listing Rules states: “An issuer shall carry out, directly or indirectly, a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which sufficient potential value can be demonstrated to the Exchange to warrant the continued listing of the issuer’s securities”.

Given that as at 30 June 2009, the intangible assets of the Company, which are wholly comprised of the broadcast permit and license and the combined goodwill which is held by Guangzhou Wavecom, were valued at approximately HK\$205,418,000, the Board is of the view that after the closure of the business operations of Ever-OK that the Company will possess a high level of intangible assets for which sufficient potential value can be demonstrated to the Stock Exchange to warrant the continued listing of the Company’s securities, such that the requirements of GEM Listing Rule 17.26 are satisfied. In reaching this view, the Board has not only had regard for the fact that the value of the Company’s intangible assets as at 30 June 2009 was in excess of HK\$200 million, but also to the fact that as the total intangible assets of the Company as at 30 June 2009, being approximately HK\$205,418,000, comprises approximately 80% of the total assets, both current and non-current, of the Company as at 30 June 2009, including those assets attributable to the business operations of Ever-OK. In fact, the total value of the Company’s intangible assets as at 30 June 2009 is approximately four times greater than the value of the total assets held by Ever-OK at the same period in time. The Board has also had regard for the fact that as at July 2009 the sum of RMB 25 million has been duly invested in the necessary assets and equipment of the IPTV Division.

Furthermore, and as stated above, as at the date of this announcement, Guangzhou Wavecom has concluded a contract for the provision of IPTV services to an established client base of approximately 50,000 consumers and has achieved revenue streams and turnover from the provision of IPTV services to this established client base. Given this fact, the Board is also of the view that the Company currently has a sufficient level of operations to warrant the continued listing of the Company’s securities, such that the requirements of Rule 17.26 of the GEM Listing Rules are satisfied.

## **BUSINESS OVERVIEW OF THE GROUP**

The Group is principally engaged in provision of online content information and related technical services, information technology solutions and consultancy services, and logistics services.

### *Financial Review of the Group's Business Operations as at 30 June 2009*

#### Turnover and loss attributable to shareholders

The total turnover of the Group for the six months ended 30 June 2009 was approximately HK\$24,395,000 (2008: HK\$62,729,000) which was decreased by approximately 61% as compared to that of the previous financial year. The Board noticed one of the significant reasons for the decrease in the total turnover of the Group was a result of the poor global economic outlook, coupled with the ongoing global financial crisis during the period which has affected the entire transportation industry in the PRC.

The unaudited consolidated loss from operations for the six months ended 30 June 2009 was approximately HK\$18,535,000, which was significantly increased as compared with the corresponding period last year, HK\$5,627,000. The increase in loss for the period is mainly attributable to the substantial provision made for the asset impairment loss in respect of the goodwill provision on Guangzhou Wavecom of about HK\$36 million, for the year ended 31 December 2008. Provision was made for the asset impairment loss provision on the goodwill of Guangzhou Wavecom as the Board, on the recommendation of the Company's auditors, adopted a prudent approach and determined that based on IAS 36, an impairment on goodwill provision should be made on the assets of Guangzhou Wavecom.

Excluding the amortization of the license value of Guangzhou Wavecom the Group has successfully reduced the operating loss for the six months ended 30 June 2009 by 25.6%. Once the operations of the IPTV services begin to contribute to the revenue of the Group, the license value shall improve and the enterprise value of the Group will increase.

The Group's gross profit margin was increased from 10.35% for the six months ended 30 June 2008 to 19.19 % for the the six months ended 30 June 2009. The increase in gross profit margin was due to the closure of the non-profitable operations in Hong Kong and the USA.

### *Operational Review of the Group's Business Operations as at 30 June 2009*

During the six months ended 30 June 2009, the Group continued its focuses on and reviewed the long-term prospects of its core business in logistics services and information technology, whilst seeking to further enlarge its revenue base through the provision of IPTV services to the greater southern China region. The Company had a sufficient level of operations in logistics services and has sufficient assets to operate its business as a going concern. The Company did not have any financial difficulties to an extent which may seriously impair the Company's ability to continue its business. The Company also had sufficient assets to operate its business due to the continuing support of the major shareholder of the Company.

## Logistics Services

Notwithstanding the management's efforts in rationalizing the Group's operations and enhancing the Group's cost efficiency the aim to attain profitability in the logistics division has not been achieved. The management of the Company put a great deal of effort into improving profitability of Ever-OK through the reduction of the company's operating costs which are incurred by its branches and subsidiaries.

This division of the Group generated the majority of the returns the Group derived from its business operations as at the Latest Practicable Date. However the ongoing poor global economic conditions unfortunately had a significant impact on the financial performance that has been achieved from the Group's logistics division. Nevertheless the Board has been diligent in protecting the Group by containing the losses to a much lower level in terms of the logistics operations.

As stated in the Announcement, on 27 October 2009 the Board was informed by the management of Ever-OK that Ever-OK is not operating as a profitable entity, and that the achievement of profitability in the foreseeable future is not a realistic possibility. Given that information, and given the Board's desire to focus on the newly acquired IPTV Division, the Board has determined that it is in the best interests of the Company, and the Company's shareholders as a whole, to initiate the closure of the business of Ever-OK, with immediate effect.

## Information Technology

The Board believes that the Acquisition will, once the general global economy improves, provide the basis for the generation of long-term and sustained revenue streams for the Group which in turn will improve the returns to the shareholders of the Company. The Board has commenced the initial phases of the launch the provision of the IPTV services. The Board is hopeful and expectant the general world economy will further improve in the forthcoming periods.

During the first six months of 2009, the Board concentrated on finalizing all developments in its IPTV services and officially launched the first phase of the provision of IPTV services to the greater southern China region in the second quarter of 2009. The Board successfully diversified the provision of IPTV services in the second quarter of 2009 such that it concluded a contract for the contracting of media software platforms for the provision of IPTV services to an established client base of approximately 50,000 consumers. As stated above, the revenue streams and turnover that the IPTV Division has received from the provision of IPTV services in the third quarter of 2009 total HK\$4,534,808, which will be reflected in the Company's 2009 third quarterly report, which is expected to be published on or soon after 10 November 2009.

The Board expects that with regards to the downturn in the global economy, that the total revenue expected to be generated in the forthcoming periods will be lower than originally forecast slightly at the beginning, but in view of the expected growth in the gross domestic product of the PRC and the growing income of China's affluent society in the forthcoming years, the revenue derived from the IPTV Division is expected to increase in future periods. The Board will continually assess and review the revenue and cash flows that are expected to be derived from the project in these periods with a view to achieving a positive return on investment for the Group which will be of great benefit to the Company's shareholders as a whole.

## **EXPECTED FINANCIAL EFFECTS OF THE CLOSURE OF EVER-OK ON THE GROUP**

The Board has continually been seeking investment opportunities to broaden the Group's income base and to expand the Group's business operations. Hence, on 24 December 2007 the Company entered into the Agreement to purchase Guangzhou Wavecom. On 12 September 2008 the Company announced that the Acquisition had been completed on 11 September 2008. As such the media company, Guangzhou Wavecom, and its subsidiary South Pearl, have been incorporated into the corporate structure of the Group.

The Board anticipates, that given the poor economic outlook at present, which is expected to persist in the near future, that for forthcoming periods the expected revenue base of the Group will not improve significantly, as had been forecast at the time that the Acquisition was contemplated.

The Board continues to address the revenue issue that is a direct result of the poor economic outlook at present, through the implementation of viable strategies, as outlined below, including the diversification of allocation of future funding within the Group, which will see the Group move towards other opportunities for the generation of significant revenue for the Group, which will allow the Group to ultimately generate long-term and sustainable returns to the Company's shareholders.

Shareholders and potential investors are advised that the Board, through the Acquisition of the IPTV Division, and the implementation of the launch of the second phase of the provision of IPTV services on 1 October 2009, has been concentrating and reallocating the Company's resources and other assets within the Group to the IPTV Division, in an effort to improve the profitability of the Group, and enhance the potential future returns to the shareholders of the Company. The initiation of the closure of the business operations of Ever-OK, as announced in the Announcement, is in line with the Board's strategy of closing all non-profitable operations of the Group, whilst focusing more resources on the IPTV Division, which the Board is confident will produce a sufficient level of operations to enable the Company to operate as a going concern and achieve future profitability for the Group, and enhance the potential future returns to the Company's shareholders as a whole.

The Board is of the view that the initiation of the closure of the business operations of Ever-OK will not have an adverse effect on the Group, rather such closure, which will allow the Group to reduce its operating costs, will lead, it is anticipated, towards the Group achieving profitability in future periods. The Board is of the view that, after the closure of the business operations of Ever-OK, the Company will, with regard to the existing client base and revenue streams generated by the IPTV Division, continue to have a sufficient level of operations in the IPTV Division, and has sufficient assets to operate its business as a going concern. The Board does not anticipate that the Company will have any financial difficulties to an extent which may seriously impair the Company's ability to continue its business.

### *Earnings*

For the year ended 31 December 2008, the Group recorded turnover and net loss attributable to equity holders of the Company of approximately HK\$120,058,000 and HK\$58,120,000 respectively. Based on the information available to the Board as at the Latest Practicable Date, the Board anticipates the closure of the business of

Ever-OK will probably reduce the Group's turnover and will possibly reduce the net loss attributable to equity holders of the Company as a result of the reduction of the operating expenses incurred by Ever-OK in the forthcoming reporting periods.

#### *Gearing ratio and working capital*

As at 31 December 2008, the audited cash and bank balances of the Group were approximately HK\$6,543,000 and the gearing ratio of the Group, expressed as a percentage of total borrowings over total assets was approximately 4.25%. Based on the financial information available to the Board as at the Latest Practicable Date, the Board anticipates the closure of the business of Ever-OK will possibly increase the cash position of the Group as a result of the reduction of the expenses incurred by Ever-OK, while the gearing ratio of the Group would probably remain relatively unchanged.

#### *Net assets value*

The audited net assets value of the Group was approximately HK\$78,889,000 as at 31 December 2008. Based on the financial information available to the Board as at the Latest Practicable Date, the Board anticipates that after the closure of the business of Ever-OK, the net assets value of the Group will possibly increase once the operations of the IPTV services begin to contribute to the revenue of the Group, and the enterprise value of the Group will possibly increase.

### **RESUMPTION OF TRADING**

At the request of the Company, trading in the Company's shares on the Stock Exchange has been suspended with effect from 10:00 a.m. on 3 November 2009, pending the release of this announcement. An application will be made to the Stock Exchange for the resumption of trading in the Company's shares on the Stock Exchange with effect from 9:30 a.m. on 6 November 2009.

**Holders of the securities of the Company and potential investors are advised to exercise caution when dealing in the Company's shares.**

#### **Definitions:**

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

“Acquisition”	the acquisition of 100% equity interest in Guangzhou Wavecom at the consideration in the sum of HK\$157 million.
“Agreement ”	the agreement dated 24 December 2007 made between the Company and the Vendors in relation to the Acquisition
“Announcement”	the Company's announcement dated 2 November 2009 regarding the initiation of the closure of the business of a subsidiary in which the Company holds a 60% interest

“Annual Report”	the Company’s 2008 annual report dated 30 March 2009
“Board”	the board of Directors
“Circular”	the Company’s circular dated 28 February 2008
“Company”	Asian Capital Resources (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and the issued ordinary shares of which are listed on the Growth Enterprises Market of the Stock Exchange
“Directors”	the directors of the Company
“Ever-OK”	Ever-OK International Forwarding Co., Limited, is a sino-foreign equity joint venture company which is principally involved in the logistics industry that specializes in freight forwarding business in the PRC. The Company currently owns a 60% stockholding interest in Ever-OK.
“GEM”	the Growth Enterprises Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company together with its subsidiaries
“Guangzhou TV”	Guangzhou Television Broadcast Technology Center Limited (廣州廣播電視科技中心有限公司)
“Guangzhou Wavecom”	Guangzhou Wavecom Communication and Advertising Limited (廣州濤視傳播廣告有限公司), a company incorporated in the PRC with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Interim Report”	the Company’s 2009 interim report dated 14 August 2009
“IPTV”	internet protocol television
“IPTV Division”	the provision of programmes, advertising and promotion services and other related services via the IPTV platform to the greater southern China region by Guangzhou Wavecom, through its subsidiary South Pearl, for which Guangzhou Wavecom receives subscription fees from its customers in respect of the provision of the IPTV services. Services include but not limited to: audio-visual services such as (a) television programs on demand; (b) television programs download; (c) KTV on demand; (d) music on demand; and (e) video broadcast live and other services such as (i) TV shopping; (ii) online education; and (iii) online securities
“Latest Practicable Date”	5 November 2009, being the latest practicable date prior to the publishing of this announcement for ascertaining certain information contained herein
“PRC”	The People’s Republic of China, excluding Hong Kong, the

Macau SAR and Taiwan for the purpose of this announcement

“South Pearl”	South Pearl Limited (廣州南方明珠網絡科技有限公司), a limited liabilities company incorporated in the PRC on 4 September 2000 with registered capital of RMB20 million.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendors”	Ms. Zhou Yu (周鬱) and Mr. Qiu Yue (邱越), both being independent third parties of the Company and its connected persons, at the time of the execution of the Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent

*For the purpose of this announcement,*

- (i) *the English translation of the Chinese name is for identification only; and*
- (ii) *conversion of RMB into HK\$ is based on the approximate exchange rate of RMB1 to HK\$1.14. No representation is made that any amounts in RMB or HK\$ have been, could have been or could be converted at the above rate or at any other rates or at all.*

By Order of the Board  
**Asian Capital Resources (Holdings) Limited**  
**Kong Yeuk Hon, John**  
*Company Secretary*

Hong Kong, 5 November 2009

*As at the date of this announcement, the executive directors of the Company are Mr. Xie Xuan (Chairman), Mr. Yang Qiulin, and Mr. Qiu Yue; the non-executive directors are Mr. Lo Mun Lam Raymond (Vice Chairman), and Mr. Andrew James Chandler; and the independent non-executive directors are Mr. Wu Jixue, Dr. Feng Ke and Mr. Zhang Daorong.*

*This announcement, for which the directors of Asian Capital Resources (Holdings) Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Asian Capital Resources (Holdings) Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and on the Company’s website at [www.airnet.com.hk](http://www.airnet.com.hk).*