

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.



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8025)

ISSUE OF A WRIT OF SUMMONS BY UREDY AND UR AGAINST THE COMPANY AND FOUR OTHER DEFENDANTS

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

On 27 April 2010, UREDY and UR initiated legal proceedings against the Company, as the first defendant, and four other persons, being the second to fifth defendants, by way of the filing of a Writ of Summons in the High Court of Hong Kong.

The Writ of Summons is indorsed with an Indorsement of Claim, and the particulars of the Claims as they pertain to the Company are restated in full below.

The Company denies all of the Claims, particularly the claim that the Company conspired to defraud UREDY.

Prior to the filing of the Writ of Summons on 27 April 2010, the Company had indicated to UREDY that it was willing, on a without prejudice basis, and without making any admission as to liability by so doing, and whilst expressly reserving all its legal rights, and as an expression of goodwill from the Company in the hope of resolving the misunderstandings of the correct position held by UREDY that currently exists, to enter into and conduct mediation in respect of the Claims, in compliance with the recommendations set out in the Civil Justice Reform revisions.

Despite UREDY and UR having issued the Writ of Summons, the Company is still willing to undertake and participate in good faith in mediation with UREDY in order to resolve the Claims.

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 by the board of directors (the **“Board”**) of Asian Capital Resources (Holdings) Limited (the **“Company”**) and its subsidiaries (the **“Group”**) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the **“GEM Listing Rules”**).

INITIATION OF LEGAL PROCEEDINGS AGAINST THE COMPANY BY THE ISSUE OF A WRIT OF SUMMONS

On 27 April 2010, Union Resources Educational Development (Yanjiao) Company Limited (**“UREDY”**), as the first plaintiff, and Union Resources (Educational Development) Limited (**“UR”**), as the second plaintiff, initiated legal proceedings against the Company, as the first defendant, and four other persons, being the second to fifth defendants. The legal proceedings were initiated by way of UREDY and UR filing a writ of summons on 27 April 2010 in the registry of the High Court of the Hong Kong Special Administrative Region which has been allocated the case reference number HCA 589/2010 (the **“Writ of Summons”**).

INDORSEMENT OF CLAIM

The Writ of Summons is indorsed with a claim by UREDY and UR against the Company and the other four defendants (the **“Indorsement of Claim”**). The Indorsement of Claim, as it pertains to the Company, is restated as follows:

- “2. The 1st Plaintiff's claims against the 1st to 5th Defendants, and each of them, are for:-
- 2.1 A Declaration that the two documents both entitled **“諮詢服務協議書”** [literally translated by the Company as **“Consultancy Service Agreement”**] and dated 29 April 2004 purportedly entered into between the 1st Plaintiff and the 4th Defendant (**“Purported Agreements”**) were and still are invalid and of no legal effect.
 - 2.2 A Declaration that the 1st to 5th Defendants and each of them held or hold any and all monies paid by the 1st Plaintiff to the 1st to 5th Defendants from March 2004 to August 2006, whether pursuant to the Purported Agreements or not, as trustees for the 1st Plaintiff.
 - 2.3 Repayment and/or restitution of and/or account for all the monies, benefits, profits (including secret profits) and interest misappropriated by the 1st to 5th Defendants or paid away by them or at their direction from the 1st Plaintiff from March 2004 to August 2006, whether pursuant to the Purported Agreements or not.
 - 2.4 Damages and/or equitable compensation in respect of any and all loss and damage suffered by the 1st Plaintiff as a result of or in connection with the Purported Agreements.
 - 2.5 Further or alternatively, damages for conspiracy to defraud and injure the 1st Plaintiff by means of the Purported Agreements.
 - 2.6 Further or alternatively, damages for wrongful conversion of the monies of the 1st Plaintiff as a result of or in connection with the Purported Agreements.

- 2.7 Further or alternatively, damages and/or equitable compensation as knowing recipients and/or knowing or dishonest assistants in respect of or in connection with the Purported Agreements.
- 2.8 Interest pursuant to section 48 of the High Court Ordinance, Chapter 4 of the Laws of Hong Kong at such rates and for such period as the Court thinks just.
- 2.9 Compound interest pursuant to the Court's equitable jurisdiction.
- 2.10 All necessary Accounts, Directions and Inquiries including where necessary all tracing orders and consequential directions.
- 2.11 Further or other relief.
- 2.12 Costs."

The Company denies all of UREDY's claims and allegations of wrongdoing made against the Company in the Indorsement of Claim, as they pertain to the Company (the "**Claims**"), particularly the claim that the Company conspired to defraud UREDY.

PROPOSED MEDIATION

Prior to the filing of the Writ of Summons on 27 April 2010, the Company had indicated to UREDY that it was willing, on a without prejudice basis, and without making any admission as to liability by so doing, and whilst expressly reserving all its legal rights, and as an expression of goodwill from the Company in the hope of resolving the misunderstandings of the correct position held by UREDY that currently exists, to enter into and conduct mediation in respect of the Claims, in compliance with the recommendations set out in the Civil Justice Reform revisions.

Despite UREDY also having expressed to the Company a willingness to attempt mediation to resolve the Claims, UREDY and UR have chosen to issue the Writ of Summons prior to UREDY and the Company reaching agreement on the proposed mediation process and before having undertaken mediation in good faith to resolve the Claims. Despite UREDY and UR having issued the Writ of Summons, the Company is still willing to undertake and participate in good faith in mediation with UREDY in order to resolve the Claims.

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

By Order of the Board
Asian Capital Resources (Holdings) Limited
Andrew James Chandler
Non-executive Director

Hong Kong, 28 April 2010

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 for at least 7 days from the date of its posting and on the Company’s website at www.airnet.com.hk.