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ACR 亞洲資產(控股)有限公司
ASIAN CAPITAL RESOURCES (HOLDINGS) LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8025)

GLAMOUR HOUSE LIMITED
(Incorporated in the British Virgin Islands with limited liability)

Financial Adviser to GLAMOUR HOUSE LIMITED

AsiaVest Partners
AsiaVest Partners Limited

JOINT ANNOUNCEMENT

- (1) AGREEMENT IN RELATION TO THE SALE AND PURCHASE OF APPROXIMATELY 37.59% OF THE ISSUED SHARE CAPITAL OF ASIAN DYNAMICS;**
- (2) POSSIBLE UNCONDITIONAL MANDATORY CASH OFFERS BY REDFORD SECURITIES AS THE AGENT FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES AND OPTIONS IN THE COMPANY (OTHER THAN THOSE SHARES ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND ASIAN DYNAMICS AND PARTIES ACTING IN CONCERT WITH ANY OF THEM);**
- AND**
- (3) RESUMPTION OF TRADING**

This joint announcement is made by the Company and the Offeror pursuant to Rule 3.5 of the Takeovers Code.

The Board wishes to inform holders of the Company's Shares and securities and potential investors that on 5 April 2010 the Offeror (as purchaser), in co-operation with the Existing Management of the Company, entered into the Agreement for the purchase of all the Sale Shares owned by the Vendors, such that upon Completion, the Offeror and parties acting in concert with it will become interested in approximately 67.18% of the issued share capital of Asian Dynamics.

Holders of the Company's shares and securities and potential investors should be aware that the Agreement is conditional upon the fulfillment of certain conditions. As such there is a possibility that the Agreement may or may not be completed.

THE AGREEMENT

Pursuant to the Agreement dated 5 April 2010 among the Offeror and the Vendors, the Vendors have agreed to sell and the Offeror has agreed to acquire 13,750 Sale Shares in aggregate, representing 37.59% of the issued share capital of Asian Dynamics. The total consideration for the Sale Shares is HK\$12,323,329, which is equivalent to approximately HK\$896.24 per Sale Share, and was agreed among the Offeror and the Vendors after arm's length negotiations and is equivalent to the Offer Price of HK\$0.06 per Share. The total consideration has been paid by the Offeror in full in cash upon execution of the Agreement.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS

Prior to Completion, the Offeror is interested in 10,821 AD Shares, representing approximately 29.59% of the issued share capital of Asian Dynamics. Upon Completion, the Offeror and parties acting in concert with it will become interested in a total of 24,571 AD Shares, representing 67.18% of the issued share capital of Asian Dynamics. Upon Completion, as Asian Dynamics is a Substantial Shareholder of the Company, holding 546,846,132 Shares, representing 56.76% of the issued share capital of the Company, pursuant to Note 8 to Rule 26.1 and Rule 13 of the Takeovers Code, the Offeror will be required to make mandatory unconditional general offers in cash for all the issued Shares, and 97,840,073 outstanding Options, other than those already owned or agreed to be acquired by the Offeror and Asian Dynamics and parties acting in concert with any of them.

Redford Securities has been appointed as the agent for the Offeror in respect of the Offers and in the event of Completion taking place, Redford Securities will make the Offers, on behalf of the Offeror in compliance with section 103 of the SFO, which will be unconditional in all respects, in compliance with the Takeovers Code on the following terms:–

For every Offer Share. HK\$0.06 in cash
For every Option. HK\$0.0001 in cash

On the basis of the Offer Price of HK\$0.06 per Offer Share and HK\$0.0001 per Option and 963,417,986 Shares in issue as at the date of this joint announcement, the entire issued share capital of the Company is valued at approximately HK\$57,805,079. As the Offeror will become interested in over 50% of AD Shares after Completion, and therefore control of Asian Dynamics which holds 546,846,132 Shares, representing 56.76% of the issued share capital of the Company, 416,571,854 Shares and 97,840,073 outstanding Options, will be subject to the Offers and the Offers are valued at approximately HK\$25,004,096 based on the Offer Price.

GENERAL

It is the intention of the Offeror and the Board that the offer document will be combined with the offeree board circular if the Offers materialize, and a composite offer document containing, among other things, details of the Offers (including the expected timetable of the Offers), the recommendation from the Independent Board Committee to the Independent Shareholders and the advice from an independent financial adviser to the Independent Board Committee in respect of the Offers, will be dispatched to the Shareholders. Under Rule 8.2 of the Takeovers Code, within 21 days of the date of this joint announcement or such later date as the Executive may approve, the Offeror is required to dispatch the offer document. An application will be made by the Offeror and the Company for the Executive's consent to extend the deadline for dispatch of the composite offer document to 7 days after Completion of the Agreement (or such later time as approved by the Executive).

The Offeror intends that the Company will remain listed on the Stock Exchange after the close of the Offers and does not intend to exercise its rights to compulsorily acquire all the Shares and Options. The sole director of the Offeror and the Board will take appropriate steps following the close of the Offers to ensure that not less than 25% of the Company's total listed issued share capital is held by the public and the Company is and will be able to comply with the public float requirement as required by Rule 11.23 of the GEM Listing Rules.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:30 a.m. on 7 April 2010 pending the release of this joint announcement. An 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 9:30 a.m. on 4 May 2010.

Warning: Shareholders and investors are advised that the Offers may or may not proceed, as Completion is conditional upon the fulfillment of all of the conditions precedent set out in the Agreement.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

This joint announcement is made by the Company and the Offeror pursuant to Rule 3.5 of the Takeovers Code.

The Board wishes to inform holders of the Company's Shares and securities and potential investors that on 5 April 2010 the Offeror (as purchaser), in co-operation with the Existing Management of the Company, executed the Agreement for the purchase of all the Sale Shares owned by the Vendors, such that upon Completion the Offeror and parties acting in concert with it will become interested in approximately 67.18% of the issued share capital of Asian Dynamics.

Holders of the Company's shares and securities and potential investors should be aware that the Agreement is conditional upon the fulfillment of certain conditions. As such there is a possibility that the Agreement may or may not be completed.

Pursuant to the Agreement dated 5 April 2010 among the Offeror and the Vendors, the Vendors have agreed to sell and the Offeror has agreed to acquire 13,750 Sale Shares in aggregate, representing 37.59% of the issued share capital of Asian Dynamics. The principal terms of the Agreement are summarized below.

THE AGREEMENT

Date

5 April 2010

Parties

Vendors : Mr. Chan, who holds 5,179 AD Shares, representing approximately 14.16% of the issued share capital of Asian Dynamics immediately prior to Completion

Denwell Enterprises, which holds 8,571 AD Shares, representing approximately 23.43% of the issued share capital of Asian Dynamics immediately prior to Completion

Purchaser : Glamour House (the Offeror), which is beneficially owned as to 90% by Mr. Chu, and as to 10% by Mr. Xie.

Subject of the Agreement

Pursuant to the Agreement, the Vendors have agreed to sell and the Offeror has agreed to acquire the Sale Shares, being 13,750 AD Shares in aggregate, representing 37.59% of the issued share capital of Asian Dynamics at the date of this joint announcement. The Offeror shall not be obliged to purchase any of the Sale Shares unless the sale and purchase of all of the Sale Shares is completed simultaneously.

The Sale Shares are sold free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature together with all rights now and thereafter attaching thereto including but not limited to all dividends paid, declared or made in respect thereof at any time on or after the date of the Agreement.

Consideration

The total consideration for the Sale Shares is HK\$12,323,329 (equivalent to approximately HK\$896.24 per Sale Share and is equivalent to the Offer Price of HK\$0.06 per Share), and which was agreed among the Vendors and the Offeror after arm's length negotiations. The Offeror, in determining the total consideration to be paid to the Vendors, determined that it would offer each Vendor the equivalent in Hong Kong dollars for the Sale Shares, of their respective shareholding interests in the Company, through their respective shareholdings interests in Asian Dynamics (the AD Shares), which would be determined by reference to the

Offeror's proposed offer price of HK\$0.06 per Share. The proposed offer price of HK\$0.06 per Share was determined by the Offeror by having regard to the fact that as at 18 December 2009, the unaudited net assets value of the Company was HK\$0.06 per Share. The total consideration was paid by the Offeror in full in cash to the Vendors upon execution of the Agreement.

Completion

It has been agreed by the Offeror and the Vendors that Completion must take place before 5 October 2010. The Offeror and the Vendors tentatively expect, saving any unforeseen circumstances, that Completion will take place before 27 May 2010.

Conditions Precedent

The Agreement is conditional upon the fulfillment of the following conditions precedent by the parties to the Agreement prior to Completion:

- (i) The Offeror having executed this agreement with each and all of the Vendors such that on Completion, or soon thereafter, the Offeror will become interested in the legal and beneficial ownership of 67.18% of the entire issued share capital of Asian Dynamics;
- (ii) All the Vendors, and the Offeror, executing the necessary instruments of transfer and bought and sold notes to effect the legal transfer all their respective shareholdings in Asian Dynamics to the Offeror, upon the same terms, pursuant to the Agreement;
- (iii) The shareholders of the Offeror approving, in the form of passing of relevant resolutions at an extraordinary general meeting of the Offeror, the acquisition and the transfers of the Sale Shares contemplated under the Agreement;
- (iv) The shareholders of the Vendors, approving, as is applicable to the relevant Vendor, in the form of passing of relevant resolutions at an extraordinary general meeting, the sale, disposal and the transfers of the Sale Shares contemplated under the Agreement;
- (v) The Offeror having secured a funding proof in the sum of at least HK\$50,000,000, to guarantee the provision of funds to effect the purchase of the Sale Shares, and the acquisition of the shareholding interests of the independent public shareholders of the Company, in the event that the Offeror is required to make mandatory unconditional general offers to the independent public shareholders of the Company, pursuant to Note 8 to Rule 26.1 of the Hong Kong Takeovers and Share Repurchases Code;
- (vi) The Offeror having consulted with the Securities and Futures Commission of Hong Kong pursuant to Rule 26.1 of the Hong Kong Takeovers and Share Repurchases Code as to the implications of Note 8 to Rule 26.1 of the Hong Kong Takeovers and Share Repurchases Code on the acquisition and the transfers of the Sale Shares contemplated under the Agreement;
- (vii) The Offeror's due diligence on such matters relating to the acquisition and the transfers of the Sale Shares contemplated under the Agreement to its satisfaction in good faith; and

(viii) Such further documents and/or information required by the Offeror which are necessary to enable the Vendors to effect Completion and requested in writing three business days prior to Completion as contemplated under the Agreement.

As at the date of this announcement the conditions precedent (i), (ii) and (v), as set out above, have been fulfilled by the Offeror and the Vendors. The Offeror will propose to the Vendors that the parties to the Agreement agree to waive the fulfillment of condition precedent (vi), as the Offeror no longer considers the fulfillment of this condition precedent necessary to effect Completion.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS

Prior to Completion, the Offeror and parties acting in concert with it are interested in 10,821 AD Shares, representing approximately 29.59% of the issued share capital of Asian Dynamics, immediately prior to Completion. Upon Completion, the Offeror and parties acting in concert with it will become interested in a total of 24,571 AD Shares, representing 67.18% of the issued share capital of Asian Dynamics as at the date of this joint announcement. Upon Completion, as Asian Dynamics is a Substantial Shareholder of the Company, holding 546,846,132 Shares, representing 56.76% of the issued share capital of the Company, pursuant to Note 8 to Rule 26.1 and Rule 13 of the Takeovers Code, the Offeror will be required to make mandatory unconditional general offers in cash for all the issued Shares and 97,840,073 outstanding Options, other than those already owned or agreed to be acquired by the Offeror and Asian Dynamics and parties acting in concert with any of them.

Principal Terms of the Offers

Redford Securities has been appointed as the agent for the Offeror in respect of the Offers and in the event of Completion taking place, Redford Securities will make the Offers, on behalf of the Offeror in compliance with section 103 of the SFO, which will be unconditional in all respects, in compliance with the Takeovers Code on the following terms:–

For every Offer Share HK\$0.06 in cash
For every Option HK\$0.0001 in cash

The Offer Shares and Options to be acquired under the Offers shall be fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature together with all rights attaching thereto as at the date of the Agreement, including all dividends and distributions declared, made or paid on or after the date of the Agreement. Any and all of the Options that may be acquired under the Offers shall not be cancelled by the Company after their acquisition by the Offeror.

Comparison of value

The Offer Price of HK\$0.06 per Offer Share is equivalent to the price to be paid for each Sale Share by the Offeror under the Agreement, and represents:

- (i) a discount of 2,950% to the closing price of HK\$1.83 per Share as quoted on the Stock Exchange on the Last Trading Day;

- (ii) a discount of approximately 2,966.66% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day of HK\$1.84 per Share;
- (iii) a discount of approximately 2,875% to the average of the closing prices of the Shares as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day of HK\$1.785 per Share; and
- (iv) a premium of approximately 185.71% over the audited consolidated total equity attributable to Shareholders of approximately (HK\$0.07) per Share as at 31 December 2009.

Highest and lowest Share prices

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange for each calendar month during the six-month period immediately preceding the Last Trading Day were as follows:

	Share prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2009		
October	0.72	0.62
November	0.99	0.64
December	0.77	0.68
2010		
January	0.90	0.63
February	1.04	0.74
March	2.11	0.92

Value of the Offers

On the basis of the Offer Price of HK\$0.06 per Offer Share and HK\$0.0001 per Option and 963,417,986 Shares in issue as at the date of this joint announcement, the entire issued share capital of the Company is valued at approximately HK\$57,805,079. As the Offeror will become interested in over 50% of the AD Shares after Completion, and therefore control of Asian Dynamics which holds 546,846,132 Shares, representing 56.76% of the issued share capital of the Company, 416,571,854 Shares and 97,840,073 outstanding Options, will be subject to the Offers and the Offers are valued at approximately HK\$25,004,096 based on the Offer Price.

Financial resources available to the Offeror

AsiaVest Partners is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptances of the Offers. The Offers will be financed from funds made available from the internal resources of the Offeror.

Dealing and interests in the Company's securities

Save for the execution of the Agreement, none of the Offeror nor parties acting in concert with it has dealt in the Shares, outstanding options, derivatives, warrants or other securities convertible into Shares in the six months up to the date of this joint announcement. As at the date of this joint announcement, the Offeror and parties acting in concert with it do not hold any Shares, outstanding option, derivatives, warrants or other securities convertible into Shares, save for the Offeror's deemed indirect interest in the Shares which is set out in the section "Shareholding Structure", below.

The Offeror and parties acting in concert with it have not entered into any contracts in relation to the outstanding derivatives in respect of securities in the Company nor borrowed or lent any relevant securities in the Company, as defined by Note 4 to Rule 22 of the Takeovers Code.

Effect of accepting the Offers

Acceptance of the Offers by any Shareholders will be deemed to constitute a warranty by such Shareholder that all existing Shares and Options sold by such Shareholder under the Offers are free from all liens, claims, charges, options, equities, adverse interests, third party rights or encumbrances whatsoever and together with all rights accruing or attaching thereto, including, without limitation, the right to receive all dividends and distributions declared, paid or made, if any, on or after the date of the completion of the Agreement. Any and all of the Options that may be acquired under the Offers shall not be cancelled by the Company after their acquisition by the Offeror.

Stamp Duty

Seller's ad valorem stamp duty payable by the Independent Shareholders who accept the Offers and calculated at a rate of 0.1% of the market value of the Offer Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offers, whichever is higher, will be deducted from the amount payable by the Offeror to the relevant Independent Shareholder on acceptance of the Offers (excluding the amount payable by the Offeror to the relevant Independent Shareholder on acceptance of the Offers for the Options). The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of the accepting Independent Shareholders and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offers and the transfer of the Shares.

Payment

Payment by cheque in respect of acceptances of the Offers will be made as soon as possible but in any event within 10 days of the date on which the relevant documents are received by the Offeror to render each such acceptance complete and valid.

Other arrangements

As at the date of this joint announcement, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror and parties acting in concert with it or the Company and which might be material to the Offers. There is no agreement or arrangement to which the Offeror and parties acting in concert with it is a party which relate to circumstances in which it may or may not invoke or seek to invoke a pre-condition or condition to the Offers.

As at the date of this joint announcement, the Offeror and parties acting in concert with it have not received any irrevocable commitment(s) to accept the Offers.

Overseas Shareholders

The Offers will be in respect of securities of a company incorporated in the Cayman Islands and will be subject to the procedure and disclosure requirements of Hong Kong, which may be different from other jurisdictions. The ability of Shareholders residing outside Hong Kong wishing to participate in the Offers will also be subject to, and may be limited by, the laws and regulations of their respective jurisdictions.

SHAREHOLDING STRUCTURE

Set out below is a table showing the shareholding structure of Asian Dynamics and the Company (i) immediately before Completion and at the date of this joint announcement; and (ii) immediately after Completion:

Shareholding Structure of Asian Dynamics

	Immediately before Completion		Immediately after Completion	
	<i>Number of AD Shares</i>	<i>Approximate %</i>	<i>Number of AD Shares</i>	<i>Approximate %</i>
<i>The Vendors:</i>				
Mr. Chan	5,179	14.16	–	–
Denwell Enterprises	8,571	23.43	–	–
Sub-total	13,750	37.59	–	–
<i>Other holders of AD Shares:</i>				
Mr. Chau	4,000	10.94	4,000	10.94
Asian Wealth	8,000	21.88	8,000	21.88
Glamour House	10,821	29.59	24,571	67.18
Total	36,571	100	36,571	100

Shareholding Structure of the Company

	Immediately before Completion		Immediately after Completion	
	Number of Shares	Approximate %	Number of Shares	Approximate %
<i>The Offeror and parties acting in concert with it</i>				
Asian Dynamics (Note 1)	546,846,132	56.76	546,846,132	56.76
The Offeror (Note 2)	546,846,132	56.76	546,846,132	56.76
Sub-total (Notes 3, 4, and 5)	546,846,132	56.76	546,846,132	56.76
<i>Independent Shareholders</i>				
Total Independent Shareholders	416,571,854	43.24	416,571,854	43.24
Total	963,417,986	100	963,417,986	100

Notes:

1. Asian Dynamics is a company incorporated in the British Virgin Islands and upon Completion will be beneficially owned by Asian Wealth (as to 21.88%), Glamour House (as to 67.18%), and Mr. Chau (as to 10.94%).
2. The Offeror (Glamour House) is also a Substantial Shareholder of the Company as Asian Dynamics is a controlled corporation of the Offeror.
3. Mr. Chu is also a Substantial Shareholder of the Company as the Offeror is a controlled corporation of Mr. Chu.
4. Mr. Xie is also a Substantial Shareholder of the Company as the Offeror is a controlled corporation of Mr. Xie.
5. The interests of Asian Dynamics, the Offeror, Mr. Chu and Mr. Xie duplicate with each other as each Substantial Shareholder's interest in the Shares is derived from Asian Dynamics' direct interest in the Shares.

RELEVANT SECURITIES IN ISSUE AS AT THE DATE OF THIS JOINT ANNOUNCEMENT

As at the date of this joint announcement, the Company has 963,417,986 ordinary Shares in issue, each with a nominal value of HK\$0.10, and there are there are outstanding 97,840,073 Options granted by the Company and 97,840,073 Option Shares fall to be issued upon exercise of the Options at the exercise price of HK\$0.275 per Option Share. As at the date of this joint announcement no Option Shares have been issued. Furthermore, on 24 December 2007 the Company entered into an agreement with Asian Dynamics and Lucky Peace Limited pursuant to which the Company is obliged to issue in aggregate HK\$86,350,000 of zero-coupon Convertible Notes convertible at HK\$0.218 per Share with 24-month maturity to Asian Dynamics and Lucky Peace Limited.

As at the date of this joint announcement the Company has not issued the Convertible Notes. The Company expects to issue the Convertible Notes soon after the conclusion of the time for acceptances of the Offers has closed, and the Convertible Notes will not be issued by the Company during the offer period. Save for the outstanding Options and the Convertible Notes which fall to be issued, the Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities of the Company.

OFFEROR'S AND PARTIES ACTING IN CONCERT WITH IT INTERESTS IN THE SECURITIES OF THE COMPANY

As at the date of this joint announcement, and immediately after execution of the Agreement, the Offeror and parties acting in concert with it became and are now interested in 546,846,132 Shares, representing 56.76% of the entire issued Share capital of the Company, whereby upon Completion, the Offeror will become interested in a total of 24,571 AD Shares, representing 67.18% of the issued share capital of Asian Dynamics. As Asian Dynamics is a Substantial Shareholder of the Company, holding 546,846,132 Shares, representing 56.76% of the entire issued Share capital of the Company, the Offeror and parties acting in concert with it are now interested in 546,846,132 Shares, representing 56.76% of the entire issued Share capital of the Company. The Offeror's interest in the Shares is set out in the section "Shareholding Structure", above.

As at the date of this joint announcement, and immediately after execution of the Agreement, Mr. Xie, who is a Connected Person of the Company, became and is now interested in 546,846,132 Shares, representing 56.76% of the entire issued Share capital of the Company, due to the fact that Mr. Xie is the sole director of the Offeror and therefore is able to exercise 100% control over the Offeror, which is accustomed to acting in accordance with the instructions of Mr. Xie, and the Offeror is therefore a controlled corporation of Mr. Xie. Mr. Xie's interest in the Shares is set out in the notes to the section "Shareholding Structure", above.

As at the date of this joint announcement the Offeror and parties acting in concert with it are not interested in any outstanding derivatives in respect of the securities of the Company.

INFORMATION ON THE OFFEROR

The Offeror is an investment holding company and is beneficially owned as to 90% by Mr. Chu, and as to 10%, immediately after the execution of the Agreement, by Mr. Xie. Mr. Xie became beneficially interested in 10% of the Offeror immediately after the execution of the Agreement pursuant to a verbal agreement between Mr. Chu and Mr. Xie, wherein they had agreed that, if the Agreement were to be executed, that Mr. Chu would transfer 10% of his shareholding interest in the Offeror to Mr. Xie. As the Agreement was executed on 5 April 2010, on 6 April 2010 both Mr. Chu and Mr. Xie executed the necessary instrument of transfer to effect the transfer of Mr. Chu's 10% shareholding interest in the Offeror to Mr. Xie. No consideration was paid for the transfer of the 10% shareholding interest in the Offeror from Mr. Chu to Mr. Xie. The principal activity of the Offeror is investment holding and the principal assets held by the Offeror are the AD Shares it presently owns and those it has agreed to acquire from the Vendors.

Mr. Chu, aged 26, graduated from Zhongshan University in China with a degree in management and is currently studying an EMBA course offered by the Zhongshan University in China. Mr. Chu is also the managing director of Guangdong Weiye Investment Co., Ltd, the managing director of Guangdong Zhicheng Weiye Investment Co.,Ltd, a director of Guangdong Pearl River Commercial & Logistics Investment Co., Ltd, and is the managing director of GZ Pearl River Yunsheng Textile Market Management Co Ltd. Save for the shareholding interest in the Shares held by the Offeror and Mr. Chu, as disclosed in the paragraph headed “Shareholding Structure” above, Mr. Chu is a third party independent of the Company and its Connected Persons (as defined in the GEM Listing Rules). Mr. Chu’s interest in the Shares is set out in the notes to the section “Shareholding Structure”, above.

Mr. Xie, aged 40, joined the Company in 2002. Mr. Xie is an executive director and Chairman of the Company, and is the sole director of Glamour House, and a director of Asian Dynamics. Mr. Xie holds directorships in various subsidiaries of the Company. Mr. Xie has over 17 years of successful investment and management experience in the areas of property and logistics in the People’s Republic of China. He graduated from Jinan University, the PRC with a degree in International Economics. Mr. Xie is a Connected Person of the Company (as defined in the GEM Listing Rules).

INFORMATION ON THE GROUP

The Company is an investment holding company with its subsidiaries principally engaged in the provision of logistics and information technology services.

The Group recorded audited losses attributable to equity holders of the Company of approximately HK\$58,120,000 and approximately HK\$48,942,000 for the two financial years ended 31 December 2008 and 31 December 2009 respectively. The audited consolidated total equity attributable to equity holders of the Company as at 31 December 2008 and 31 December 2009 were approximately (HK\$21,194,000) and (HK\$69,417,000) respectively.

OFFEROR’S INTENTION ON THE GROUP

Save for the implementation of the closure of the business of a subsidiary in which the Company holds a 60% interest, which was initiated by the Board as disclosed in the Company’s announcement dated 2 November 2009, it is the intention of the Offeror that the Group will continue its existing principal activities. The Offeror does not intend to introduce any major changes to the existing operation and business of the Company by reason only of the Offers. The Offeror will, as has been the Board’s policy, continue to explore other business opportunities and consider whether any assets and/or business acquisitions by the Group will be appropriate in order to enhance its growth. The Offeror intends to continue to focus the Group’s resources on developing the Company’s newly acquired internet protocol television services business whilst conducting a more detailed review on the operations of the Group with a view to broadening the income streams of the Group. In the event that any of such opportunities materialise, further announcement will be made by the Company as and when required by the GEM Listing Rules. Save for the implementation of the closure of the business of a subsidiary in which the Company holds a 60% interest, as set out in the Company’s announcement dated 2 November 2009, as at the date of this joint announcement, the Offeror has no intention or concrete plan for any acquisition or disposal of assets and/or business by the Group.

CHANGE OF BOARD COMPOSITION

The Board is currently made up of eight directors, comprising three executive directors, two non-executive directors, and three independent non-executive directors.

The Offeror does not intend to change the composition of the Board after the close of the Offers.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror intends that the Company will remain listed on the Stock Exchange after the close of the Offers and does not intend to exercise its rights to compulsorily acquire all the Shares. The directors of the Offeror and the Board take appropriate steps following the close of the Offers to ensure that not less than 25% of the Company's total listed issued share capital is held by the public and the Company is and will be able to comply with the public float requirement as required by Rule 11.23 of the GEM Listing Rules.

DEALING DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, the associates (as defined under the Takeovers Code) of the Company and the Offeror (within the meaning of the Takeovers Code) are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

GENERAL

Under Rule 8.2 of the Takeovers Code, an offer document containing, among other things, details of the Offers, together with the relevant forms of acceptance and transfer, should be despatched to the Shareholders as soon as practicable, but in any event within 21 days of the date of this joint announcement or such later date as the Executive may approve.

In accordance with the Takeovers Code, the Company is required to send the offeree board circular in relation to the Offers to the Shareholders within 14 days of the posting of the offer document, or such later date as the Executive may approve.

It is the intention of the Offeror and the Board that the offer document will be combined with the offeree board circular if the Offers materialize, and a composite offer document containing, among other things, details of the Offers (including the expected timetable), the recommendation from the Independent Board Committee to the Independent Shareholders and the advice from an independent financial advisor to the Independent Board Committee in respect of the Offers, will be despatched to the Shareholders.

An application will be made by the Offeror and the Company for the Executive's consent to extend the deadline for despatch of the composite offer document to 7 days after Completion of the Agreement (or such later time as approved by the Executive).

The Independent Board Committee comprising all the non-executive Directors, who have no direct or indirect interest in the Offers, will be established to advise the Independent Shareholders in respect of the Offers. An independent financial adviser will be appointed by the Company to advise the Independent Board Committee in respect of the Offers. The appointment of an independent financial adviser will be made immediately after, and only in the event of, Completion taking place. The appointment of an independent financial adviser is subject to the approval of the Independent Board Committee. The Company will announce the appointment of the independent financial adviser as soon thereafter as the appointment is made.

Warning

Shareholders and investors are advised that the Offers may or may not proceed, as Completion is conditional upon the fulfillment of all of the conditions precedent set out in the Agreement.

Shareholders and investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:30 a.m. on 7 April 2010 pending the release of this joint announcement. An 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 9:30 a.m. on 4 May 2010.

DEFINITIONS

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

“acting in concert”	has the meanings ascribed to it under the Takeovers Code
“AD Shares”	those shares that comprise the issued share capital of Asian Dynamics
“Agreement”	the sale and purchase agreement dated 5 April 2010 made entered into among the Offeror and the Vendors in relation to the sale and purchase of the Sale Shares
“AsiaVest Partners”	AsiaVest Partners Limited, a corporation licensed to carry on type 4 (advising on securities), type 6 (advising on corporate finance), and type 9 (asset management) regulated activities under the SFO. Mr. Lo Mun Lam, Raymond is a director of AsiaVest and is also a non-executive director of the Company. The advice given by AsiaVest is under their normal course of business and the fee charged by AsiaVest is connected transaction which is exempt from the reporting, announcement and independent shareholders’ approval requirements as it is a de minimis transaction in accordance with Rule 20.31(2) of the GEM Listing Rules
“Asian Dynamics”	Asian Dynamics International Limited, a company incorporated in the British Virgin Islands with limited liability, which has an authorized share capital of US\$50,000 divided into 50,000 shares of US\$1 each of which 36,571 shares are in issue and credited as fully paid, and which is beneficially owned by Mr. Chan, Mr. Chau, Asian Wealth, Denwell Enterprises, and Glamour House, and which is the majority shareholder of the Company owning approximately 56.76% of the Shares
“Asian Wealth”	Asian Wealth Incorporated, a company incorporated in the Marshall Islands with limited liability, which is wholly beneficially owned by the estate of Mr. Leung Chung Wan
“associates”	has the meanings ascribed to it under the GEM Listing Rules
“Board”	the board of Directors

“Company”	Asian Capital Resources (Holdings) Limited (stock code: 8025), 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
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms of the Agreement, which the Offeror and the Vendors have agreed must take place before 5 October 2010
“Connected Person(s)”	has the meanings ascribed to it under the GEM Listing Rules
“Convertible Notes”	the convertible notes that the Company is obliged to issue pursuant to an agreement entered into between the Company and Asian Dynamics and Lucky Peace Limited on 24 December 2007 for the issue in aggregate of HK\$86,350,000 of zero-coupon convertible notes, convertible at HK\$0.218 per Share with 24-month maturity
“Denwell Enterprises”	Denwell Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly beneficially owned by Balance Enterprise Group Limited. To the best knowledge of the Board, and based on all reasonable information available to the Board, the ultimate beneficial owner of Balance Enterprise Group Limited is Mr. Wang Qiang, a person who is independent of both the Company and its Connected Persons
“Directors”	the directors of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegates of the Executive Director
“Existing Management”	Mr. Xie and Asian Dynamics. Mr Xie is an executive director of the Company, a director of Asian Dynamics and the sole director of Glamour House
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM

“Glamour House”	Glamour House Limited, a company incorporated in the British Virgin Islands with limited liability which is the Offeror, and is beneficially owned by Mr. Chu as to 90% and Mr. Xie as to 10%, being the purchaser of the Sale Shares under the Agreement
“Group”	the Company together with its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board comprising all the non-executive Directors to advise the Independent Shareholders on the terms of the Offers
“Independent Shareholder(s)”	Shareholder(s) other than the Offeror and Asian Dynamics and parties acting in concert with any of them
“Last Trading Day”	1 April 2010, being the last trading day of the Shares immediately prior to its suspension in trading on the Stock Exchange on 7 April 2010 pending the release of this joint announcement
“Mr. Chan”	Mr. Chan Chi Ming, a person independent of and unconnected with the Company
“Mr. Chau”	Mr. Chau Tak Tin, a person independent of and unconnected with the Company
“Mr. Chu”	Mr. Chu Yat Hong, the beneficial owner of 90% of the entire issued share capital of Glamour House, and a person independent of and unconnected with the Company
“Mr. Xie”	Mr. Xie Xuan, an executive director and Chairman of the Company, and a director of Glamour House and the beneficial owner of 10% of the entire issued share capital of Glamour House, and who is a Connected Person of the Company
“Offers”	the possible mandatory unconditional cash offers to be made by Redford Securities as the agent for and on behalf of the Offeror for all the issued Shares and Options other than those already owned or agreed to be acquired by the Offeror and Asian Dynamics and persons acting in concert with any of them pursuant to Note 8 to Rule 26.1 and Rule 13 of the Takeovers Code

“Offeror”	Glamour House Limited
“Offer Price”	the price at which the Offers will be made, i.e. at HK\$0.06 per Offer Share and HK\$0.0001 per Option
“Offer Share(s)”	issued Share(s) other than those already owned or agreed to be acquired by the Offeror and Asian Dynamics and persons acting in concert with any of them
“Option(s)”	the share options which were issued by the Company pursuant to a specific mandate granted by the Company’s shareholders at the extraordinary general meeting held on 4 October 2007, of which the holders are entitled to subscribe for 97,840,073 Option Shares at the exercise price of HK\$0.275 per Share
“Option Share(s)”	the outstanding 97,840,073 Shares which fall to be issued upon exercise of the Options
“Redford Securities”	Redford Securities Limited, a corporation licensed to carry on type 1 (dealing in securities) regulated activities under the SFO
“Sale Shares”	13,750 AD Shares to be acquired by the Offeror from the Vendors pursuant to the terms and conditions of the Agreement
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	Holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meanings ascribed to it under the Takeovers Code
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendors”	Mr. Chan and Denwell Enterprises, being the vendors of the Sale Shares under the Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“US\$” United States dollars, the lawful currency of the United States of America

“%” per cent

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

By Order of the sole director
Glamour House Limited
Xie Xuan
Director

Hong Kong, 4 May 2010

As at the date of this joint 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, Mr. Zhang Daorong, and Dr. Feng Ke. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that in relation to the Offeror, and Mr. Chu) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Xie. Mr. Xie accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that in relation to the Company and the Vendors) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

This joint 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.