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*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 08025)**

## **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

### **Placing Agent**



### **PLACING OF NEW SHARES**

On 12 May 2012, the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Placing Agent agreed to place, on a best effort basis, to not less than six independent Places for up to 70,000,000 new Shares at a price of HK\$0.428 per Placing Share.

The Placing is conditional upon the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Placing Shares. If such condition is not fulfilled, the Placing will not proceed.

The maximum number of 70,000,000 Placing Shares represents approximately 6.5% of the entire issued share capital of the Company of 1,082,687,986 Shares as at the date of this announcement and approximately 6.1% of the Company's entire issued share capital as enlarged by the Placing Shares. The net proceeds from the Placing of approximately HK\$28,800,000 (assuming the Placing Shares are fully placed and after all relevant expenses) will be used (i) as to HK\$28,000,000 for the possible acquisition of the civilian satellite application business as announced by the Company on the even date if it materializes; and (ii) as to HK\$800,000 as the general working capital of the Group.

**As the Placing Agreement may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

### **THE PLACING AGREEMENT**

#### **Date**

12 May 2012

## **Parties**

- (a) the Company; and
- (b) the Placing Agent

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

## **Placees**

The Placing Shares will be placed to not less than six Placees and their ultimate beneficial owners will be Independent Third Parties.

## **Number of Placing Shares**

Up to 70,000,000 new Shares will be placed by the Placing Agent on a best effort basis. Assuming the Placing Shares are fully placed, the Placing Shares represents approximately 6.5% of the entire issued share capital of the Company of 1,082,687,986 Shares as at the date of this announcement and approximately 6.1% of the Company's entire issued share capital as enlarged by the Placing Shares. The nominal value of the Placing Shares is HK\$7,000,000.

## **Placing Price**

The Placing Price of HK\$0.428 per Placing Share was agreed after arm's length negotiations between the Company and the Placing Agent, with reference to, among other things, the recent trading price of the Shares on the Stock Exchange. The Placing Price represents:

- (i) a discount of approximately 11.8% to the closing price of HK\$0.485 per Share as quoted on the Stock Exchange on 11 May 2012, being the last trading day immediately prior to the date of the Placing Agreement; and
- (ii) a discount of approximately 18.5% to the average closing price of approximately HK\$0.525 per Share as quoted on the Stock Exchange for the last 5 full trading days of the Shares immediately prior to the date of the Placing Agreement.

## **Placing Commission**

The Placing Agent will receive a placing commission of 2.5% on the gross proceeds of the Placing.

## **General Mandate**

The Placing Shares will be issued pursuant to the general mandate to allot, issue and deal with the Shares granted to the Directors by resolution of the Shareholders passed at the Company's annual general meeting held on 10 May 2012 of up to 216,537,597 Shares.

As at the date of this announcement, no Share has been issued pursuant to the said general mandate.

## **Ranking of Placing Shares**

The Placing Shares, when issued and fully paid, will rank pari passu among themselves and with Shares in issue at the time of issue and allotment of the Placing Shares.

## **Condition Precedent**

The Placing and the obligations of the Placing Agent under the Placing Agreement are conditional upon the Listing Committee of the Stock Exchange granting listing of, and permission to deal in the Placing Shares. Application will be made to the Stock Exchange for approval for the listing of and permission to deal in the Placing Shares. The Placing is not subject to Shareholders' approval.

## **Completion**

Completion shall take place as soon as possible following the satisfaction of the condition set out above and in any event not later than five business days immediately following the satisfaction of the condition (or such other date to be agreed by the parties) and at a time and place to be agreed between the Placing Agent and the Company.

If the condition precedent of the Placing is not fulfilled on or before the Long Stop Date, the Placing Agreement shall terminate and neither the Placing Agent nor the Company will have any claim against the other for costs, damages, compensation or otherwise except for any antecedent breach of the Placing Agreement.

## **Termination of the Placing Agreement**

The Placing Agent may terminate the Placing Agreement prior to completion of the Placing Agreement if in the opinion of the Placing Agent the success of the Placing or the business or financial prospects of the Group would or is likely to be materially and adversely affected by:

- (a) any material breach of any of the representations and warranties set out in the Placing Agreement; or
- (b) any suspension in dealings in or the listing of the Shares on the Stock Exchange for a period of more than 3 trading days (other than in connection with the Placing); or
- (c) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
- (d) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date hereof and including an event or change in relation to or a development of an existing state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions; or
- (e) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
- (f) a change or development involving a prospective change in taxation in Hong Kong, Cayman Islands, British Virgin Islands or the People's Republic of China or the implementation of exchange controls which shall or might materially and adversely affect the Group or its present or prospective shareholders in their capacity as such; or

(g) any change or deterioration in the conditions of local, national or international securities markets.

**As the Placing may or may not complete, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **REASONS FOR ENTERING INTO THE PLACING AGREEMENT AND USE OF PROCEEDS**

The Company is an investment holding company and its subsidiaries are principally engaged in media and advertising, the application of IPTV services and businesses, and investment consultancy.

The Directors considered various ways of raising funds and believe that the Placing represents an opportunity to raise capital for the Company while broadening the Shareholder base and capital base of the Company. Assuming all the Placing Shares are successfully placed by the Placing Agent, the gross proceeds from the Placing will be approximately HK\$29,960,000. The net proceeds, after deducting the placing commission and other related expenses, will be approximately HK\$ 28,800,000, representing a net issue price of approximately HK\$0.412 per Placing Share. The net proceeds will be used (i) as to approximately HK\$28,000,000 for the possible acquisition of the civilian satellite application business as announced by the Company on the even date if it materializes; and (ii) as to approximately HK\$800,000 as the general working capital of the Group.

The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **FUND RAISING ACTIVITIES DURING THE PAST TWELVE MONTHS**

The Company does not have any equity fund raising activities for the 12 months immediately before the date of this announcement.

## **EFFECT ON SHAREHOLDING**

For illustration purpose, the shareholding structures of the Company as at the date of this announcement and immediately after completion of the Placing are and will be as follows: –

|   | <b>As at the date of this announcement</b> |                  | <b>Immediately after completion of the Placing</b> |                  |
|---|--|------------------|--|------------------|
|   | <i>Number of Shares</i>                    | <i>Approx. %</i> | <i>Number of Shares</i>                            | <i>Approx. %</i> |
| Glamour House Limited ( <i>Note 1</i> ) | 546,964,782                                | 50.5             | 546,964,782  | 47.5             |
| Lucky Peace Limited ( <i>Note 2</i> )   | 18,620,436                                 | 1.7              | 18,620,436   | 1.6              |
| Mr. Qiu Yue ( <i>Note 2</i> )           | 15,430,000                                 | 1.4              | 15,430,000   | 1.3              |
| Logic Ease Group Limited                | 86,500,000                                 | 8.0              | 86,500,000   | 7.5              |
| Other Public Shareholders               |  |                  |  |                  |
| - Placees                               | -  | -                | 70,000,000   | 6.1              |
| - Others                                | 415,172,768                                | 38.4             | 415,172,768  | 36.0             |
| Total                                   | 1,082,687,986                              | 100.0            | 1,152,687,986                                      | 100.0            |

Note 1: *Glamour House Limited is beneficially owned as to 90% by Mr. Chu Yat Hong and its sole director is Mr. Xie Xuan, a Director.*

Note 2: *Lucky Peace Limited is wholly-owned by Mr. Qiu Yue, who is a Director.*

## **DEFINITIONS**

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

|                             |  |
|-----------------------------|--|
| “associate”                 | has the meaning ascribed thereto under the GEM Listing Rules   |
| “Board”                     | the board of Directors   |
| “Business Day(s)”           | any day (other than a Saturday or Sunday or public holiday) on which banks in Hong Kong are generally open for the transaction of normal business                  |
| “Company”                   | Asian Capital Resources (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the GEM  |
| “connected person(s)”       | has the meaning ascribed to it under the GEM Listing Rules   |
| “Director(s)”               | the director(s) of the Company   |
| “GEM”                       | The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited  |
| “GEM Listing Rules”         | the Rule Governing the Listing of Securities on GEM  |
| “Group”                     | the Company and its subsidiaries   |
| “Hong Kong”                 | the Hong Kong Special Administrative Region of the People’s Republic of China  |
| “Independent Third Parties” | parties which are not connected persons of the Company (as defined in the GEM Listing Rules) and are independent of the Company and its connected persons          |
| “Long Stop Date”            | being the date falling 3 months after the date of the Placing Agreement (or such other time and date as the Placing Agent and the Company shall agree in writing)  |
| “Placees”                   | any individual, institutional or other professional investor procured by the Placing Agent to purchase any of the Placing Shares pursuant to the Placing Agreement |
| “Placing”                   | the placing of the Placing Shares by the Company, through the Placing Agent, pursuant to the Placing Agreement   |
| “Placing Agent”             | Tanrich Capital Limited, a licensed corporation to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance)                              |

regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

|                     |   |
|---------------------|---|
| “Placing Agreement” | the Placing Agreement dated 12 May 2012 entered into between the Placing Agent and the Company in relation to the Placing |
| “Placing Price”     | HK\$0.428 per Placing Share   |
| “Placing Shares”    | a maximum of 70,000,000 new Shares to be placed pursuant to the Placing Agreement   |
| “Share(s)”          | ordinary share(s) of HK\$0.1 each in the share capital of the Company   |
| “Shareholder(s)”    | holder(s) of Share(s)   |
| “Stock Exchange”    | The Stock Exchange of Hong Kong Limited   |
| “HK\$”              | Hong Kong dollars, the lawful currency of Hong Kong   |
| “%”                 | per cent  |

By Order of the Board of  
**Asian Capital Resources (Holdings) Limited**  
**Xie Xuan**  
*Executive Director*

Hong Kong, 12 May 2012

*As at the date of this announcement, the executive directors of the Company are Mr. Xie Xuan (Chairman), and Mr. Qiu Yue; the non-executive director is Mr. Lo Mun Lam Raymond (Vice Chairman); 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).*