



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8025)

**INTERIM RESULTS ANNOUNCEMENT
(For the six months ended 30 June 2014)**

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE
STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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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 GEM of the Stock Exchange 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.

As at the date of this announcement, the executive directors of the Company are Mr. Xie Xuan (Chairman), Mr. Xiao Jing, Mr. Chu Yat Hong, Mr. Qiu Yue and Dr. Feng Ke; and the independent non-executive directors are Mr. Wu Jixue, Mr. Zhang Daorong and Mr. Zheng Hongliang.

UNAUDITED CONDENSED CONSOLIDATED RESULTS

The board of directors (the “Board”) of Asian Capital Resources (Holdings) Limited (the “Company”) present the unaudited condensed consolidated results of the Company and its subsidiaries (the “Group”) for the three and six months ended 30 June 2014 together with the comparative figures for the corresponding periods in 2013 as follows:

	<i>Notes</i>	For the three months ended 30 June		For the six months ended 30 June	
		2014	2013	2014	2013
		<i>HK\$’000</i>	<i>HK\$’000</i>	<i>HK\$’000</i>	<i>HK\$’000</i>
Turnover	2	46,753	52,909	71,497	66,482
Cost of services		(43,317)	(45,285)	(66,334)	(60,153)
Gross profit		3,436	7,624	5,163	6,329
Other revenue		54	–	54	–
Interest income		–	–	–	–
Staff costs		(767)	(567)	(1,442)	(974)
Operating lease rentals		(107)	(64)	(215)	(128)
Other operating expenses		(5,726)	(3,814)	(8,829)	(4,959)
Depreciation and amortization		(2,921)	(2,585)	(5,582)	(5,009)
(Loss)/Gain from operating activities		(6,031)	594	(10,851)	(4,741)
Finance costs		(344)	(225)	(660)	(544)
Income/(Loss) before taxation		(6,375)	369	(11,511)	(5,285)
Taxation	3	(17)	(602)	(17)	(602)
Loss for the period		(6,392)	(233)	(11,528)	(5,887)
Attributable to:					
Equity holders of the Company		(6,266)	(571)	(11,392)	(6,258)
Non controlling interest		(126)	338	(136)	371
		(6,392)	(233)	(11,528)	(5,887)
Loss per share					
– Basic	4	(0.42 cents)	(0.04 cents)	(0.77 cents)	(0.43 cents)

CONDENSED CONSOLIDATED BALANCE SHEET

		Unaudited	Audited
		As at	As at
		30 June	31 December
		2014	2013
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		2,880	366
Intangible Assets		507	1,014
		<u>3,387</u>	<u>1,380</u>
Current assets			
Trade and other receivables	5	15,628	20,281
Investment in associate		6,070	–
Cash and bank balances		36,822	50,175
		<u>58,520</u>	<u>70,456</u>
Current liabilities			
Trade and other payables	6	(39,759)	(38,235)
Tax payable		(1,275)	(1,275)
		<u>(41,034)</u>	<u>(39,510)</u>
Net current assets/(liabilities)		<u>17,486</u>	<u>30,946</u>
Total assets less current liabilities		<u>20,873</u>	<u>32,326</u>
Non-current liabilities			
Amount due to a director		(5,044)	(5,537)
Amount due to a substantial shareholder	7	(25,664)	(25,106)
Deferred Tax Liabilities		(254)	(254)
		<u>(30,962)</u>	<u>(30,897)</u>
Net (liabilities)/assets		<u>(10,089)</u>	<u>1,429</u>
Capital and reserves			
Share capital		148,552	148,552
Reserves		(142,136)	(130,754)
(Deficit)/Equity attributable to shareholders of the Company		<u>6,416</u>	<u>17,798</u>
Minority interests		<u>(16,505)</u>	<u>(16,369)</u>
Total (deficit)/equity		<u>(10,089)</u>	<u>1,429</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited Consolidated Statement of Changes in Equity for the six months ended 30 June 2014 and the six months ended 30 June 2013:

	Attributable to equity holders of the Company						Non		Total
	Issued Share Capital	Share Premium	Capital Reserve	Placing Expenses	Translation Reserve	Accumulated Loss	Total	Controlling interest	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 January 2013	138,552	182,721	26,020	-	(1,321)	(390,916)	(44,944)	6,858	(38,086)
Movement of the period	10,000	55,000	-	(2,425)	-	(6,258)	56,317	371	56,688
As at 30 June 2013	<u>148,552</u>	<u>237,721</u>	<u>26,020</u>	<u>(2,425)</u>	<u>(1,321)</u>	<u>(397,174)</u>	<u>11,373</u>	<u>7,229</u>	<u>18,602</u>
As at 1 January 2014	148,552	237,721	26,020	(2,426)	(1,407)	(390,662)	17,798	(16,369)	1,429
Movement of the period	-	-	-	-	10	(11,392)	(11,382)	(136)	(11,518)
As at 30 June 2014	<u>148,552</u>	<u>237,721</u>	<u>26,020</u>	<u>(2,426)</u>	<u>(1,397)</u>	<u>(402,054)</u>	<u>6,416</u>	<u>(16,505)</u>	<u>(10,089)</u>

UNAUDITED CONDENSED CONSOLIDATED CASHFLOW STATEMENT

	30/06/2014		30/06/2013	
From Operation Activities:				
Loss per report		(11,518)		(5,887)
Adjustment for:				
Interest income, depreciation and amortisation	<u>5,582</u>	5,582	<u>4,509</u>	4,509
(Increase)/Decrease in Trade and Other Receivables		4,653	(220)	
(Decrease)/Increase in Trade and Other Payables		1,524	(4,193)	
Decrease in Deferred Tax Provision	–		580	
	<u> </u>	<u>6,177</u>	<u> </u>	<u>(3,833)</u>
		241		(5,211)
From Investing Activities				
Purchase of equipment including system upgrade	(7,589)			–
Investment in associate	<u>(6,070)</u>	<u>(13,659)</u>	<u> </u>	<u> </u>
Net cash (outflow) before financing activities		(13,418)		(5,211)
From Finance Activities				
Repayment to director	(493)		–	
Advance from substantial shareholder	558		(1,322)	
Allotment of new shares to option holders				
Proceeds from placing			65,000	
Placing Expenses			(2,425)	
	<u> </u>	<u>65</u>	<u> </u>	<u>61,253</u>
		(13,353)		56,042
Bank as at 01/01/2014 & 2013		<u>50,175</u>		<u>46</u>
Bank as per 30 June		<u>36,822</u>		<u>56,088</u>

Notes:

1. BASIS OF PREPARATION

The unaudited interim financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“the HKICPA”), and accounting principles general accepted in Hong Kong. The principal accounting policies adopted in preparing these financial statements are consistent with those followed in the Group’s annual audited consolidated financial statements for the year ended 31 December 2013.

2. TURNOVER

The Group’s turnover represents the invoiced value of service fees from the provision of internet protocol television services; and excludes intra-Group transactions as follows:

	For the three months ended 30 June		For the six months ended 30 June	
	2014 <i>HK\$’000</i>	2013 <i>HK\$’000</i>	2014 <i>HK\$’000</i>	2013 <i>HK\$’000</i>
Internet broadband business management and internet protocol television service income	<u>46,753</u>	<u>52,909</u>	<u>71,497</u>	<u>66,482</u>
Total turnover	<u>46,753</u>	<u>52,909</u>	<u>71,497</u>	<u>66,482</u>

(a) **Business segments**

	Internet broadband business and IPTV		Others		Total	
	2014	2013	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Sales to external customers	<u>71,497</u>	<u>66,482</u>	<u>54</u>	<u>–</u>	<u>71,497</u>	<u>66,482</u>
RESULT						
Segment results	<u>(412)</u>	<u>2,059</u>	<u>54</u>	<u>–</u>	<u>(358)</u>	<u>2,059</u>
Interest income					<u>–</u>	<u>–</u>
Unallocated expenses					<u>(10,493)</u>	<u>(6,800)</u>
Loss from operating activities					<u>(10,851)</u>	<u>(4,741)</u>
Finance costs					<u>(660)</u>	<u>(544)</u>
Loss before taxation					<u>(11,511)</u>	<u>(5,285)</u>
Taxation					<u>(17)</u>	<u>(602)</u>
Loss for the period					<u>(11,528)</u>	<u>(5,887)</u>
Depreciation and amortization	<u>(507)</u>	<u>(489)</u>	<u>(5,075)</u>	<u>(4,520)</u>	<u>(5,582)</u>	<u>(5,009)</u>

(b) **Geographical segments**

	Six months ended 30th June	
	2014	2013
	HK\$'000	HK\$'000
Turnover		
Hong Kong	<u>–</u>	<u>–</u>
The PRC	<u>71,497</u>	<u>66,482</u>
	<u>71,497</u>	<u>66,482</u>

3. TAXATION

	For the three months ended 30 June		For the six months ended 30 June	
	2014	2013	2014	2013
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong profits tax	–	–	–	–
PRC income tax	(17)	(602)	(17)	(602)

No Hong Kong profits tax has been provided for the six months ended 30 June 2014 as the Group has no assessable profit in Hong Kong for the period.

4. LOSS PER SHARE

The calculation of basic loss per share for the three months and six months ended 30 June 2014 is based on the net loss from ordinary activities attributable to equity holders of the HK\$11,392,000 (2013: HK\$6,258,000) and the weighted average number of ordinary shares of approximately 1,485,518,897 (2013: 1,462,821,659) during the periods.

5. TRADE AND OTHER RECEIVABLES

	As at 30 June 2014 <i>HK'000</i>	As at 31 December 2013 <i>HK'000</i>
Trade receivables	–	5,073
Prepayments, deposits and other receivables	<u>15,628</u>	<u>15,208</u>
	<u>15,628</u>	<u>20,281</u>

6. TRADE PAYABLES

	As at 30 June 2014 <i>HK'000</i>	As at 31 December 2013 <i>HK'000</i>
Trade payables	–	–
Accruals and other payables	<u>39,759</u>	<u>38,235</u>
	<u>39,759</u>	<u>38,235</u>

7. FINANCE COSTS

The finance costs represent the interest on amount due to the Company's immediate holding company, which bears interest at 5% per annum.

DIVIDEND

The Board does not recommend the payment of dividend for the six months ended 30 June 2014 (2013: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Turnover and loss attributable to shareholders

The total turnover of the Group for the six months ended 30 June 2014 was approximately HK\$71,497,000 (2013: HK\$66,482,000) which increased by approximately 7.5% as compared to that of the previous financial year.

The unaudited consolidated loss from operations for the six months ended 30 June 2014 was approximately HK\$10,851,000, which increased as compared with the corresponding period last year, HK\$4,741,000. The increase in loss for the period was mainly attributable to the increase in other operation expense of the Group.

The unaudited consolidated loss from operations for the three months ended 30 June 2014 was approximately HK\$6,031,000, which increased as compared with the gain of the corresponding period last year of HK\$594,000.

The Group's gross profit margin is decreased from approximately 9.5% for the six months ended 30 June 2013 to approximately 7.2% for the current period.

Financial cost

The financial cost of the Group for the six months ended 30 June 2014 was approximately HK\$660,000 (2013: HK\$544,000) which was increased by approximately 21.3% as compared to that of the same period of last year.

Liquidity, financial resources and capital structure

For the six months ended 30 June 2014, the Group's borrowing consists of a loan from the Company's substantial shareholder approximately HK\$25,664,000. The Group had a cash balance of approximately HK\$36,822,000.

The Group continues to adopt a prudent treasury policy to maintain its cash balance either in Hong Kong Dollars, or in the local currencies of the operating subsidiaries, maintaining a minimum exposure to foreign exchange risks.

The issued share capital of the Group for the six months ended 30 June 2014 was HK\$148,518,987 (2013: HK\$148,518,987).

Gearing Ratio

As at 30 June 2014, the gearing ratio of the Group, expressed as a percentage of net debt divided by total capital plus net debt, was 140.7% (2013: 42.13%).

Employee and remuneration policies

As at 30 June 2014, the Group employed a total of 7 employees (as at 30 June 2013: 16), of which 3 were located in Hong Kong and the remaining 4 were located in the PRC. The Group's remuneration policies are in line with the prevailing market practices and formulated on the basis of performance and experience of the employees. The salary and related benefits of the employees are rewarded on a performance related basis and the general remuneration structure of the Group is subject to review annually.

OPERATIONAL REVIEW

During the period under review, the Group was focusing its effort in its management services and the diversification of the sectors in which the Company offered our services to. Furthermore the Group continues to research, develop and explore investment opportunities which are strategic to its business operations. Both The Group and the Company does not have any financial difficulties to an extent that may seriously impair the Company's ability to continue its business and the revenue generated by the services provided sufficient cashflow to operate efficiently.

The Board, looking forward, views that by concentrating on providing our services and expanding on its financial services will enhance the company's incremental business and the future value of the company. Our group subsidiary, Vega Capital Limited, has been in operation in the PRC for over 10 years, and was concentrating in management services and consultancy services.

The increased in total turnover when comparing to the same period of last year is attributed to Guangdong Yingxin's turnover which was under management of the Company via the management service agreement entered in March, 2013, however only 4 months of operations were captured in 2013 as compared to six months as for 2014. The management contracts was not totally successful due to fierce competition of the internet media market of the People's Republic of China, and the various new regulatory measures installed by the PRC government in the 1st and 2nd quarters of 2014, rendering the profitability of the contract not entirely satisfactory to the Directors' view. In addition, despite of the positive contributions from the managed operations, there has also been additional amount of re-investments needed in order to stay competitive that has affected the depreciation costs for maintenance.

Management Services and Information Technology Division

During the period under review the Company has been focused on the expansion of the sectors in which the Company offered our services to by the knowledge base gained in the financial restructuring and real estate consultative services. This is the result of the current challenging environment of the PRC IPTV industry. This challenging environment was caused by the large investments by the major competitors that have recently entered into the industry. They range from major Telecommunication giants of China Telecom, China Unicom and China Mobile to major Information Technology firms such as Alibaba, Baidu and Tencent. As a result of this stepped up coverage by prominent internet operators and telecom companies in China, it has become extremely costly to retain sustainable competitiveness against all these challengers in the future. Furthermore in light of the increased IPTV services providers in the market, the regulators have also tightened the rules and regulations in the sector, and in particular the contents aspect, which are traditionally the revenue drivers of the industry. This has also added additional costs and expenses in order to satisfy the more stringent rules and regulations.

The Company's decision to redirect the management and corporate resources to other less capital intensive services were also the result of the short tenure of the management agreement with Guangdong Yingxin, and the level of fees that can be generated from this sector, based on the performance of the period under management.

In the current challenging and extremely competitive market conditions, the Board and management have decided to operate carefully and navigate with prudence and implemented a strategy of diversifying the sectors in which the Company offered our services to. The Company is currently exploring an opportunity to leverage our expertise in our project and management services, and expansion it into the financial services related sector.

With this strategy the Board and Management believes it is in a good position to achieve a higher level of performance and to navigate through this difficult and competitive market conditions within the industry.

FINANCIAL AND ADVISORY SERVICES

The Company views that there is presently an opportunity to explore more services to be provided in the financial services sector. The Company has been equipped with senior management level professionals with extensive experiences and track record in the financial sector. The Company's executive director, Dr. Feng Ke, is currently the department head and researcher of Real Estates Finance Research Center of the Beijing University Economics Faculty, and is also a board director of another Hong Kong exchange listed company that engages in the business of specializing in providing short-term loans secured by collateral to SMEs and individuals in the PRC. With the board's expertise and leadership the Company feels it has greatly positioned itself to provide more services in the financial sector.

The Group's Financial Services division has finalized the registration of the Foreign-invested Equity Investment Enterprise in Qianhai Free Trade Zone in Shenzhen PRC. This is for the Company to take advantage of the preferential policies in the financial sector being promoted in the Qianhai zone. With the establishment of the Qianhai Foreign-invested Equity Investment Enterprise the Company would be well positioned to benefit and to offer a range of financial services that are currently being stimulating in Qianhai but have been strictly regulated in the past. Basing on the preferential policies in Qianhai, the types of financial services that the Company will be well positioned to offer will be (i) the development of foreign-invested equity investment funds, foreign exchange settlement of capital funds, investment and fund management (ii) the expansion of offshore RMB fund flow-back channels, and the establishment of cross-border RMB business (iii) the granting of RMB loans for offshore projects (iv) the issuance of RMB bonds in Hong Kong.

The Company is also focusing its efforts in finalizing the acquisition of the investment management and consultancy business (please refer to the 26 May 2014 announcement made by the Company for details), which is subject to shareholders' approval.

Leveraging on the introduction of more open-up policies over the operation of private equity services and investments in the PRC, as well as the preferential foreign direct investment policy in Qianhai, the Directors believe that a proper regulated and healthy investment environment has been created for foreign investors, including the Group, to participate in the fund industry in the PRC. As such, the Company tries to capture such opportunities with a view to expand on the revenue sources for the Groups services towards private equity, direct investments and management services by the formation of a joint venture company in Qianhai, and the acquisition of the Target Companies. Such views were further encouraged from the statements made by the Financial Secretary of Hong Kong in the Asiamoney magazine (source: Asiamoney May 2014). In addition, the introductory of further beneficial policies by the Ministry of Finance and the State Administration of Taxation by implementing the preferential corporate income taxation policy in Qianhai (setting the corporate income tax rate at 15% rather than the 25% making it similar to those of Hong Kong) has also made it favorable environment to operate in. While the liberalization of the capital accounts in PRC has made it possible for foreign firms in Qianhai to be able to convert foreign exchange freely. With the aforementioned policies and regulations they have provided a macroeconomic platform with a favorable market conditions for positive market innovations and dynamic growth which the Group will be engaged in.

Apart from the aforementioned operations and being a growth objective enterprise, (GEM board listed company) the Group continues to research, develop and explore investment opportunities which are strategic to its business operations and which will contribute positively to the sustainability of the investment return to the Company's shareholders.

FURTHER DISCLOSURES REGARDING ANNUAL REPORT FOR THE YEAR ENDING 31 DECEMBER 2013

The Board would like to provide an additional information under section “MANAGEMENT DISCUSSION AND ANALYSIS” on page 8 of the Annual Report adding heading “PLACING OF NEW SHARES” as follows:

PLACING OF NEW SHARES (IN 2013)

On 28 January 2013, a total of 100,000,000 Placing Shares were successfully placed by the Placing Agent to not less than six independent Placees at the Placing Price of HK\$0.65 per Placing Share. The net price of each Placing Share was HKD0.626. There were more than six Placees who were all independent individuals, corporate and/or institutional investors and their ultimate beneficial owners were all Independent Third Parties.

The reason for the Placing was as per disclosed in the Placing announcement dated 16 November 2012, “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.”

The market price of the Company’s share prior to the date of the placing agreement was as follow:

<u>Date</u>	<u>Open</u>	<u>High</u>	<u>Low</u>	<u>Close</u>
15/11/2012	0.75	0.78	0.70	0.76

The net proceeds was intended to be used for the general working capital and for future potential acquisitions of the Group (as disclosed in the Placing of New Shares Under General Mandate announcement dated 16 November 2012);

- (i) as to approximately HK\$7 million for the general working capital of the Group up to 31 March 2014;
- (ii) as to approximately HK\$6 million for the acquisition of 40% shareholding interests in Best Concept Limited and the relevant sale loan at a total consideration of HK\$6,070,000, details of which are set out in the Company’s announcement dated 10 January 2014; and
- (iii) as to approximately HK\$550,000 for capital injection and HK\$4.95 million of interest free loan to be earmarked to the new joint venture formed in March 2014, details of which are set out in the Company’s announcement dated 10 January 2014.

The above additional information does not affect other information contained in the Annual Report and the content of the Annual Report remain correct and unchanged.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

Deregistration and Winding-Up of various Subsidiaries in the Group

The Board has resolved that, in order to reduce the operating costs of the Group, those subsidiaries within the Group which no longer add value to, nor generate any income attributable to the Group, should be deregistered, or voluntarily wound up.

Those subsidiaries which are currently in the deregistration process are: Sinobase Asia Limited.

Those subsidiaries which are currently being voluntarily wound up are: Asian Information Investment Consulting Limited, BuyCollection.com Limited, and Myhome Network Limited.

MATERIAL LITIGATION AND CONTINGENT LIABILITIES

Nil

SIGNIFICANT EVENTS

MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF EQUITY INTEREST IN INVESTMENT MANAGEMENT AND CONSULTANCY BUSINESS (Announcement dated 26 May 2014)

THE SALE AND PURCHASE AGREEMENT

On 26 May 2014, the Purchasers, the Vendors and the Guarantor entered into the Sale and Purchase Agreement, pursuant to which (i) the Purchaser A conditionally agreed to purchase from the Vendor A, and the Vendor A conditionally agreed to sell to the Purchaser A the entire issued share capital of the Target Company A, which is principally engaged in business management and consulting services in the Asia Pacific region, and (ii) the Purchaser B conditionally agreed to purchase from the Vendor B, and the Vendor B conditionally agreed to sell to the Purchaser B 51% of the equity interest in the Target Company B, which is principally engaged in the business of private investment fund management, private securities investment, private equity investment, and venture capital investment in the PRC.

The maximum consideration of the Acquisition is capped at HK\$255,000,000 which will be subject to downward adjustment based on a valuation to be finalised by an independent valuer and will be satisfied by the Group in the following manners:

- (i) RMB5,100,000 (equivalent to approximately HK\$6,324,000) will be paid to Vendor B in cash upon completion of the Acquisition;
- (ii) half of the remaining balance (i.e. up to a maximum of HK\$124,338,000, subject to adjustment) will be settled by the issue of the Consideration Shares; and
- (iii) the other half of the remaining balance (i.e. up to a maximum of HK\$124,338,000, subject to adjustment) will be settled by the issue of Convertible Bonds upon the fulfillment of the Profit Guarantees.

IMPLICATIONS OF THE GEM LISTING RULES

As the relevant percentage ratio(s) calculated in accordance with Rule 19.07 of the GEM Listing Rules in respect of the Acquisition is more than 25% but less than 100%, the Acquisition constitutes a major transaction on the part of the Company under Chapter 19 of the GEM Listing Rules.

As of the date of this announcement, Mr. Wang Qiang, a director and substantial shareholder of a non-wholly-owned subsidiary of the Company, is the sole owner of the Vendor A and a controlling shareholder of the Vendor B. Accordingly, the Vendors are connected persons of the Company under Chapter 20 of the GEM Listing Rules. As such, the Acquisition will also constitute a connected transaction of the Company and will be subject to the approval by the Independent Shareholders at the EGM. As at the date of this announcement, the Vendors and his associates do not own or hold any Shares or securities of the Company which are convertible into Shares. No Shareholders are required to abstain from voting at the EGM on the resolution to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

A circular relating to the Acquisition will be despatched to Shareholders on or before 30 June 2014, to allow sufficient time for the Company to prepare the necessary information to be included in the circular.

**DELAY IN DESPATCH OF CIRCULAR IN RELATION TO MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF EQUITY INTEREST IN INVESTMENT MANAGEMENT AND CONSULTANCY BUSINESS
(Announcement dated 27 June 2014)**

Reference is made to the announcement of Asian Capital Resources (Holdings) Limited (the “Company”) dated 26 May 2014 (the “Announcement”) in respect of, among other things, the proposed Acquisition. Capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement unless the context otherwise requires.

As set out in the Announcement, the circular (the “Circular”) containing further details of the Acquisition and all matters contemplated thereunder and the notice of the EGM is expected to be despatched to the Shareholders on or before 30 June 2014. As additional time is required by the Company to finalise certain information in the Circular, it is expected that the date of despatch of the Circular will be postponed to a date falling on or before 31 July 2014.

SIGNIFICANT EVENTS AFTER REPORTING PERIOD

As a result of the deficiency of capital after the interim results such position shall be improved by the issuance of shares for the aforementioned acquisition of the investment management and consultancy business (Announcement dated 26 May 2014) to give positive capital for the Company following the completion of the acquisition which is subject to shareholders’ approval.

As of to date the estimate for the professional costs incurred by the aforementioned acquisition of the investment management and consultancy business (Announcement dated 26 May 2014) is approximate HK\$1.5 million.

**FURTHER DELAY IN DESPATCH OF CIRCULAR IN RELATION TO MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF EQUITY INTEREST IN INVESTMENT MANAGEMENT AND CONSULTANCY BUSINESS
(Announcement dated 30 July 2014)**

Reference is made to the announcements of Asian Capital Resources (Holdings) Limited (the “Company”) dated 26 May 2014 and 27 June 2014 (the “Announcements”) in respect of, among other things, the proposed Acquisition. Capitalised terms used in this announcement shall have the same meaning as those defined in the Announcements unless the context otherwise requires.

As set out in the Announcements, the circular (the “Circular”) containing further details of the Acquisition and all matters contemplated thereunder and the notice of the EGM is expected to be despatched to the Shareholders on or before 31 July 2014. As additional time is required by the Company to finalise certain information in the Circular, it is expected that the date of despatch of the Circular will be further postponed to a date falling on or before 29 August 2014.

DISCLOSURE OF INTERESTS

(A) Interests and short positions of the Directors in the shares, underlying shares and debentures of the Company and its associated corporations

As at 30 June 2014, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares, or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571, (“SFO”) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) contained in the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(i) Long Positions in the Ordinary Shares of HK\$0.10 each (the “Shares”) of the Company

	Number of issued shares held, capacity and nature of interest					Percentage of the Company's issued Shares as at 30 June 2014
	Directly beneficially owned	Through spouse or minor children	Through controlled corporation	Beneficiary of a trust	Total	
<i>Directors</i>						
Mr. Chu Yat Hong	-	-	544,514,782 <i>(Note 1)</i>	-	544,514,782	36.66%
Mr. Xie Xuan	-	-	544,514,782 <i>(Note 2)</i>	-	544,514,782	36.66%
Mr. Qiu Yue	15,430,000	-	18,620,436 <i>(Note 3)</i>	-	34,050,436	2.29%
	15,430,000	-	563,135,218	-	578,565,218	38.95%

Note 1: The controlled corporation is Glamour House Limited, which is 90% beneficially owned by Mr. Chu Yat Hong.

Note 2: The controlled corporation is Glamour House Limited, which is accustomed to acting in accordance with Mr. Xie Xuan's instructions who is its sole director, and which is the beneficial owner as to 67.18% of Asian Dynamics International Limited.

Note 3: The controlled corporation is Lucky Peace Limited, which is incorporated in Samoa, and which is 100% wholly-owned by Mr. Qiu Yue.

Save as disclosed above, as at 30 June 2014, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

(B) Interests and short positions of the Substantial Shareholders in the Shares, underlying shares and debentures of the Company

As at 30 June 2014, so far as was known to the Directors or chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had, or were deemed or taken to have, an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, were as follows:

(i) Long Positions in the Shares

Name of Shareholder	Capacity	Number of shares	Percentage of the Company's issued Shares as at 30 June 2014
Glamour House Limited	Interest of a controlled corporation (<i>Note 1</i>)	544,514,782	36.66%
Asian Dynamics International Limited	Beneficial owner	544,396,132	36.65%
Logic Ease Group Limited	Beneficial Owner	86,500,000	5.82%
Blue Balloon Limited	Beneficial Owner	86,500,000	5.82%
Sweetly Limited	Beneficial Owner	86,500,000	5.82%

Note 1: The controlled corporation is Asian Dynamics International Limited, which is beneficially owned as to 67.18% by Glamour House Limited.

Save as disclosed above, as at 30 June 2014, no persons, other than the Directors and chief executive of the Company, whose interests are set out under the heading “Directors’ and chief executive’s interests and short positions in shares, underlying shares and debentures” above, had registered an interest or short position in any shares, underlying shares or debentures of the Company that was required to be recorded under Section 336 of the SFO.

DIRECTORS’ RIGHT TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the period were rights to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate granted to any Directors or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors or their respective spouse or minor children to acquire such rights in any other body corporate.

COMPETING INTERESTS

None of the Directors or management shareholders of the Company or their respective associates had an interest in a business which competes or may compete, either directly or indirectly, with the business of the Group nor any conflicts of interest which has or may have with the Group.

MANAGEMENT SHAREHOLDER

As far as the Directors are aware of, other than Asian Dynamics International Limited, Glamour House Limited, Mr. Chu Yat Hong, Mr. Xie Xuan, Logic Ease Group Limited, Blue Balloon Limited and Sweetly Limited as disclosed above, there was no other person as at 30 June 2014 who was directly or indirectly interested in 5% or more of the shares then in issue of the Company and who was able, as a practicable matter, to direct or influence the management of the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the period ended 30 June 2014.

CORPORATE GOVERNANCE REPORT

The Company is committed to achieving and maintaining a high standard of corporate governance. The Board recognizes that such commitment is essential in upholding the accountability and transparency and to achieve a balance of interests between the shareholders, customers, creditors, employees as well as other stakeholders.

Compliance with Corporate Governance Code

To ensure compliance with the Code on Corporate Governance Practices (effective until 31 March 2013) and the Corporate Governance Code (effective from 1 April 2012) (the “Code”) as set out in Appendix 15 to the GEM Listing Rules, the Board will continue to monitor and revise the Company code to bring our corporate governance practices in line with the changes in the environment and requirements of the Code. In the opinion of the Directors, the Company has complied with all the provisions of the Code, for the period ended 30 June 2014, except:

- (i) under code provision A.4.1 of the Code, non-executive directors should be appointed for a specific term and subject to re-election. None of the existing Non-executive Directors of the Company are appointed for a specific term. This constitutes a deviation from the code provision. However, all the Non-executive Directors of the Company are subject to retirement by rotation at annual general meetings pursuant to the articles of association of the Company.

Code of Conduct Regarding Securities Transactions by Directors

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors.

The Company has made specific enquiry to all Directors and the Directors have confirmed that they have complied with all the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules during the period ended 30 June 2014.

Board of Directors

The Board is responsible for managing the Company on behalf of the shareholders. The Board is of the view that it is the Directors’ responsibility to create value for the shareholders as a whole and safeguard the best interests of the Company and the shareholders by discharging its duties in a dedicated, diligent and prudent manner on the principle of good faith.

The Board comprises a total of eight Directors, with five executive Directors, namely Mr. Xie Xuan (Chairman), Mr. Xiao Jing (Chief Executive), Mr. Qiu Yue, Mr. Chu Yat Hong and Dr. Feng Ke; and three independent non-executive Directors namely Mr. Wu Jixue, Mr. Zhang Daorong and Mr. Zheng Hongliang. They are professionals in different areas and provide independent opinions based on their expertise.

Internal Control

On an annual basis the Directors have reviewed and are satisfied with their ability to comply with the policies installed as part of the Group's internal control system, including, in particular, financial, operational and compliance controls and risk management functions. Furthermore, the Directors are satisfied with the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting functions, and their training programs and budget.

Audit Committee

In compliance with Rule 5.28 of the GEM Listing Rules, the Company has established an audit committee comprising Independent Non-executive Directors, namely Mr. Zhang Daorong (Chairman of the Committee), Mr. Wu Jixue and Mr. Zheng Hongliang, and has adopted terms of reference governing the authorities and duties of the audit committee. The primary duties of the audit committee are to review and supervise the financial reporting process and internal controls of the Group. The audit committee has reviewed the draft of this Interim report and the audited financial statements and has provided advice and comments thereon.

On behalf of the Board
Xie Xuan
Chairman

Hong Kong, 13 August 2014