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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8025)

DECISION OF THE GEM LISTING REVIEW COMMITTEE AND SUSPENSION OF TRADING

This announcement is made by Asian Capital Resources (Holdings) Limited (the “**Company**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 25 June 2021, 30 June 2021, 15 September 2021 and 24 September 2021 respectively (collectively, the “**Announcements**”). Unless otherwise specified, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements.

The Board wishes to inform the Shareholders and potential investors that the review hearing of the Review Decision by the GEM Listing Review Committee was taken place on 3 December 2021 (the “**LRC Hearing**”). On 23 December 2021, the Company received a letter (the “**Letter**”) from the GEM Listing Review Committee that they had decided to uphold the Review Decision to suspend trading in the Company’s shares under GEM Listing Rules 9.04(3) on the ground that the Company had failed to comply with GEM Listing Rules 17.26.

According to the Letter, the GEM Listing Review Committee arrived at its decision for, amongst others, the following reasons:

1. The GEM Listing Review Committee considered that, as at the time of the LRC Hearing, the Company had not demonstrated to the GEM Listing Review Committee’s satisfaction that the Company was maintaining a sufficient level of operation and assets of sufficient value to support its operations required under GEM Listing Rules 17.26 so as to warrant a continued listing of its shares, and it had therefore failed to comply with GEM Listing Rules 17.26.

2. The Listing Review Committee noted that the corporate advisory services and private equity management service (the “**Consultancy Business**”) of the Company which had been the principal revenue source from 2016 (save for 2018) had been much reduced and did not overall appear to be viable, sustainable or of substance. The Company had outlined that it had faced issues in its Consultancy Business sector arising from the number of major regulatory changes introduced in the PRC in 2017-2019. The Company had amongst other matters explored alternative asset management structures but was overall careful to adopt a conservative approach. The Company had registered two limited partnership funds and was seeking to refocus on the health and wellness sector and also had plans in hand for other areas for development. The GEM Listing Review Committee noted however from its forecasts that the Company did not expect profits to grow in this sector.

3. The GEM Listing Review Committee noted that for the provision of traditional media and internet media content design service (the “**Media Business**”), the Company in its submissions and forecasts outlined that its main business focus had changed to and would going forward be directed primarily at the development of online sales and marketing through key opinion leader(s) (the “**KOL(s)**”) in the PRC (the “**KOL Business**”). At the LRC Hearing and in the Company’s submissions, the Company had elaborated on and explained the basis for the KOL Business including the livestreaming “eco-system” it had set up and the important role the KOLs played in the same. However, the GEM Listing Review Committee noted, as conceded by the Company, that the profits generated on revenue of the Company for the KOL Business were small in nature. The GEM Listing Review Committee also recognized that the nature of the KOL Business (and the Company’s role in that “eco-system”) overall was indicative essentially of a high volume trading model for the Company and it was also noted that the Company was engaged only with a small number of supplier partners. It remained to be seen whether the projection of revenue for the Company could indeed be achieved and what profits might be yielded under the Company’s model going forward. Given the very short track record of the KOL Business, it was clear to the GEM Listing Review Committee there remained doubts concerning the KOL Business’ sustainability.

Overall, the GEM Listing Review Committee considered that the Company had not demonstrated a viable and sustainable business and sufficient operations for the purposes of GEM Listing Rules 17.26 as at the date of the LRC Hearing. The GEM Listing Review Committee noted that the Company would have 12 months to remedy this by bringing its plans and forecasts into fruition and demonstrating that the same were viable and achievable. The GEM Listing Review Committee further took the view that if the Company could otherwise fulfill all other requirements of GEM Listing Rules 17.26 and overall qualitative test thereunder, would be indicative that the Company should be able to comply with GEM Listing Rules 17.26.

SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company will be suspended with effect from 9:00 a.m. on 24 December 2021. Further announcement(s) will be made by the Company as and when appropriate and in accordance with the requirements of the GEM Listing Rules.

Shareholders and potential investors of the Company who have any queries about the implications of the dealing of the Shares are advised to seek advice from professional advisors.

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

Hong Kong, 23 December 2021

As at the date of this announcement, the executive Directors are Mr. Xie Xuan (Chairman), Dr. Feng Ke and Mr. Huang Haitao; the independent non-executive Directors are Mr. Wu Jixue, Mr. Zheng Hongliang and Dr. Wang Yi.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and the Company website at www.airnet.com.hk.