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**VXL CAPITAL LIMITED**  
卓越金融有限公司

*(incorporated in Hong Kong with limited liability)*

*(Stock Code: 727)*

**ANNOUNCEMENT**

The Board announces that the Sellers have engaged the Auctioneer to arrange the Properties for sale by way of auction. The Auction will take place within 30 days of the aforesaid engagements and interested purchasers may bid for the Properties at the Auction. The tender will be awarded to the bidder(s) who places the highest bids for each of the Properties. The Auctioneer shall execute confirmation(s) with the successful bidder(s) setting out details of the auction price and payment date and the Sellers shall proceed with the relevant procedures in accordance with the terms thereof to complete the Proposed Disposals.

If the Auction is successfully completed, each of the Proposed Disposals may constitute a notifiable transaction for the Company under the Listing Rules. The Company shall comply with the applicable requirements under the Listing Rules and make further announcement in due course.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The board of directors (the "Board") of VXL Capital Limited (the "Company") wishes to announce that on 9 March 2012, two indirect wholly-owned subsidiaries of the Company (the "Sellers") entered into two auction agency agreements with an independent third party (the "Auctioneer") and have engaged the Auctioneer to assist each of the Sellers in arranging the proposed sales (the "Proposed Disposals") of two hotel properties (the "Properties") located at Xinjiang Uygur Autonomous Region, the People's Republic of China (the "PRC"). Pursuant to the aforesaid engagements, the Auctioneer shall act as agent for each of the Sellers and arrange to publish an auction notice (the "Notice") and offer the Properties for

sale by way of auction (the “Auction”). The Auction shall take place within 30 days of the engagements and interested purchasers may bid for the Properties at the Auction. The bidder(s) who places the highest bids for each of the Properties will be awarded the tender. The Auctioneer shall execute confirmation(s) with the successful bidder(s) (if any) setting out details of the auction price and payment date after the close of the Auction and the Sellers shall proceed with the relevant procedures in accordance with the terms thereof to complete the Proposed Disposals and pay a commission to the Auctioneer after completion of the Proposed Disposals. In the event any of the Sellers wishes to terminate the Auction after the Notice is published but before the date of the Auction, such Seller is also required to pay a termination fee to the Auctioneer.

The Group currently has 12 properties in the PRC in its portfolio. The Proposed Disposals are in line with the stated strategy of the Group to develop the property portfolio into budget hotels or commercial offices for leasing or sale, or, when appropriate, outright sale. If the Auction is successfully completed, each of the Proposed Disposals may constitute a notifiable transaction for the Company under the Listing Rules. The Company shall comply with the applicable requirements under the Listing Rules and make further announcement in due course.

By order of the Board  
VXL Capital Limited  
Datuk LIM Chee Wah  
*Chairman*

9 March 2012

As at the date of this announcement, the Board comprises:

*Executive Directors:*  
Datuk LIM Chee Wah  
Mr. XIAO Huan Wei

*Independent non-executive Directors:*  
Mr. Alan Howard SMITH, J.P.  
Dr. Allen LEE Peng Fei, J.P.  
Mr. David YU Hon To