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(Incorporated in Hong Kong with limited liability)

(Stock code: 727)

**CHANGE OF GROUP CHIEF EXECUTIVE OFFICER,
GROUP PRESIDENT AND
CHAIRMAN OF EXECUTIVE COMMITTEE**

The board of directors (the “**Board**”) of VXL Capital Limited (the “**Company**”) announces that Mr. XIAO Huan Wei (“**Mr. Xiao**”), a current executive director of the Company, has been appointed as the new group chief executive officer, group president and chairman of the Executive Committee of the Company in place of Datuk LIM Chee Wah (“**Datuk Lim**”) with effect from 3 July 2012.

Datuk Lim will remain as the chairman, executive director and member of Remuneration, Quality and Nomination Committee of the Company. Datuk Lim has confirmed that he has no disagreement with the Board and there is no other matter that needs to be brought to the attention of shareholders of the Company in relation to the change of his positions.

Mr. Xiao, aged 54, is the president – China of the group since July 2006 and was appointed as an executive director on 25 July 2008. He was also appointed as the acting chief executive officer of U-Inn Group on 31 March 2010. Mr. Xiao has over 25 years professional experience in business investment, operation and management in the Mainland China. He was engaged in the establishment and management of the first joint venture company affiliated to Shanghai Post & Tele-communication Management Bureau from 1986 to 1991. In 1992, he participated in the formation of Ming Sheng Group and acted as the General Manager of its Shanghai branch. He was the president of Ming Sheng Group from 1994 to 2000 and was responsible for various functions including investment, real estate development, import and export, logistics, computer network and communications. Prior to joining the group, he found an educational and financial service company in Australia which was in cooperation with the Bank of Communication in China and Australia Westpac to provide overall financial solutions to students from China.

Mr. Xiao has entered into a service agreement with the Company for a term of two years commencing on 1 October 2010. Mr. Xiao will be entitled to receive a fixed salary of HK\$1,900,000 per annum. The emoluments of Mr. Xiao have been approved, and are subject to annual review, by the Remuneration, Quality and Nomination Committee, with reference to prevailing market conditions and to his duties and responsibilities at the Company. His term of office is subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company and Code on Corporate Governance Practices of the Listing Rules.

Save as disclosed above, (i) Mr. Xiao has not held any directorships in any other listed public companies in the last three years immediately prior to the date of this announcement; (ii) he does not have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders as defined in The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"); (iii) Mr. Xiao does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance; and (iv) there is no other information relating to the appointment of Mr. Xiao that needs to be brought to the attention of the shareholders of the Company nor any information that needs to be disclosed pursuant to requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

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

3 July 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