

---

## **THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **VXL Capital Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other material facts the omission of which would make any statement contained in this circular misleading.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---

# **VXL CAPITAL LIMITED**

**卓越金融有限公司**

*(Incorporated in Hong Kong with limited liability)*

(Stock code: 727)

## **NOTICE OF ANNUAL GENERAL MEETING RE-ELECTION OF DIRECTORS AND PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES**

---

A notice of convening the annual general meeting of VXL Capital Limited to be held at Executive Boardroom in Business Centre, Level 7, Island Shangri-La, Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 19 September 2011 at 11:30 a.m. is set out in this circular. Whether or not you propose to attend the said meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same to the registered office of the Company at Room 603A, 6th Floor, Empire Centre, No. 68 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong or at the office of the Company's Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time for holding the meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof if you so wish.

15 July 2011

---

## CONTENT

---

	<i>Page</i>
<b>LETTER FROM THE BOARD</b> .....	1
<b>DIRECTORS' RECOMMENDATION FOR THE 2011 AGM</b> .....	3
<b>2011 AGM NOTICE</b> .....	6
<b>APPENDIX</b>	
I.    Polling Arrangement .....	10
II.   Information on Directors Proposed for Re-election .....	11
III.  Explanatory Statement on Share Repurchase Mandate .....	13
IV.  Definitions .....	16

---

**LETTER FROM THE BOARD**

---

**VXL CAPITAL LIMITED**

**卓越金融有限公司**

*(Incorporated in Hong Kong with limited liability)*

(Stock code: 727)

*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

*Registered Office:*

Room 603A, 6th Floor

Empire Centre

No. 68 Mody Road

Tsim Sha Tsui East

Kowloon, Hong Kong

15 July 2011

*To the Shareholders,*

Dear Sir or Madam,

**NOTICE OF ANNUAL GENERAL MEETING  
RE-ELECTION OF DIRECTORS  
AND  
PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES**

The Board hereby cordially invites you to attend the 2011 AGM to be held on Monday, 19 September 2011 at 11:30 a.m.

The 2011 AGM will deal with the following ordinary businesses and the special businesses:

- (i) considering and adopting the audited financial statements and the reports of the Directors and the Auditor of the Company for the year ended 31 March 2011;
- (ii) re-election of retiring Directors;
- (iii) re-appointment of Auditor;
- (iv) granting to the Directors the Share Issue Mandate;

---

## LETTER FROM THE BOARD

---

- (v) granting to the Directors the Share Repurchase Mandate;
- (vi) extending the Share Issue Mandate by adding to it the aggregate nominal amount of the Shares which may be repurchased under the Share Repurchase Mandate; and
- (vii) authorizing the Board to fix the Directors' remuneration for the year ending 31 March 2012.

Details of the above businesses are set out in the section "Directors' Recommendation for the 2011 AGM" and the Appendices.

It is an important day for the Board to communicate with our Shareholders. If you are unable to attend the 2011 AGM, we sincerely invite you to appoint a proxy to attend and vote on your behalf.

Yours faithfully  
For and on behalf of the Board  
**Datuk LIM Chee Wah**  
*Chairman*

---

## **DIRECTORS' RECOMMENDATION FOR THE 2011 AGM**

---

### **RESOLUTION NUMBERED 1 – CONSIDERING AND ADOPTING AUDITED FINANCIAL STATEMENTS**

An ordinary resolution will be proposed at the 2011 AGM for the purpose of considering and adopting the audited financial statements and the reports of the Directors and the Auditor of the Company for the year ended 31 March 2011, which are set out in the Annual Report sent to Shareholders together with this circular.

### **RESOLUTION NUMBERED 2 – RE-ELECTION OF DIRECTORS**

Pursuant to Article 133 of the Articles of Association, at each annual general meeting of the Company one-third of the Directors (the number nearest to and less than one-third) who have been longest in office shall retire but shall be eligible for re-election. Accordingly, Datuk LIM Chee Wah shall retire from office at the 2011 AGM.

Pursuant to Code A.4.2 of the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Accordingly, Mr. XIAO Huan Wei, who was retired and re-elected in 2008 AGM, shall retire from office at the 2011 AGM.

Datuk LIM Chee Wah and Mr. XIAO Huan Wei being eligible, offer themselves for re-election at the 2011 AGM.

As nominated by the Remuneration, Quality and Nomination Committee, the Board recommended Datuk LIM Chee Wah and Mr. XIAO Huan Wei to stand for re-election. The proposal for re-election will be considered by separate resolutions.

Details of the Directors who are proposed for re-election at the 2011 AGM are set out in Appendix II to this circular.

### **RESOLUTION NUMBERED 3 – RE-APPOINTMENT OF AUDITOR**

The Board endorsed the view of the Audit Committee and recommended that, subject to Shareholders' approval at the 2011 AGM, Messrs. PricewaterhouseCoopers be re-appointed as the Auditor of the Company for the ensuing year ending 31 March 2012.

An ordinary resolution will be proposed at the 2011 AGM for the purpose of re-appointing Messrs. PricewaterhouseCoopers as the Auditor of the Company and authorizing the Directors to fix their remuneration.

---

## **DIRECTORS' RECOMMENDATION FOR THE 2011 AGM**

---

### **RESOLUTION NUMBERED 4(I) – SHARE ISSUE MANDATE**

An ordinary resolution will be proposed at the 2011 AGM for the purpose of renewing the Existing Share Issue Mandate granted to Directors to allot, issue and dispose of the Shares. The Existing Share Issue Mandate will expire at the conclusion of the 2011 AGM. On the basis that the issued share capital of the Company comprised 1,529,600,200 Shares as at Latest Practicable Date and no further Shares are issued or repurchased on or before 19 September 2011, being the date of the 2011 AGM, the Company would be allowed under the Share Issue Mandate to allot, issue and deal with additional Shares up to a maximum of 305,920,040, representing 20% of the issued share capital of the Company. The Share Issue Mandate is subject to a limit equal to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.

### **RESOLUTION NUMBERED 4(II) – SHARE REPURCHASE MANDATE**

An ordinary resolution will be proposed at the 2011 AGM for the purpose of renewing the Existing Share Repurchase Mandate granted to the Directors to repurchase Shares. The Existing Share Repurchase Mandate will expire at the conclusion of the 2011 AGM. The Share Repurchase Mandate is subject to a limit equal to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution. An explanatory statement on the Share Repurchase Mandate is set out in Appendix III to this circular.

### **RESOLUTION NUMBERED 4(III) – EXTENSION OF THE SHARE ISSUE MANDATE**

Subject to the passing at the 2011 AGM of the proposed resolutions regarding the Share Issue Mandate and the Share Repurchase Mandate, an ordinary resolution will be proposed at the 2011 AGM to approve the addition to the Share Issue Mandate for the aggregate nominal amount of Shares which may be repurchased under the Share Repurchase Mandate.

With reference to resolutions numbered 4(I) to 4(III), the Board wishes to state that it has no immediate plans to repurchase any Shares or to issue any new Shares, whether for cash or otherwise, pursuant to the relevant mandates.

---

## **DIRECTORS' RECOMMENDATION FOR THE 2011 AGM**

---

### **RESOLUTION NUMBERED 5 – AUTHORIZATION TO FIX THE DIRECTORS' REMUNERATION**

An ordinary resolution will be proposed at the 2011 AGM to authorize the Board to fix the Directors' remuneration for the year ending 31 March 2012.

### **RECOMMENDATION**

Shareholders are referred to the 2011 AGM Notice for details of the proposed ordinary resolutions.

The Board considers that the proposed ordinary resolutions for the re-election of retiring Directors, the re-appointment of Auditor, the grant of the Share Issue Mandate and the Share Repurchase Mandate, the extension of the Share Issue Mandate and the authorization to fix the Directors' remuneration are in the interests of the Company and its Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the 2011 AGM.

---

## 2011 AGM NOTICE

---

# VXL CAPITAL LIMITED

卓越金融有限公司

*(Incorporated in Hong Kong with limited liability)*

(Stock code: 727)

### NOTICE OF THE 2011 ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2011 annual general meeting of VXL Capital Limited (the “Company”) will be held at Executive Boardroom in Business Centre, Level 7, Island Shangri-La, Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 19 September 2011 at 11:30 a.m. for the following purposes:

1. To consider and adopt the audited financial statements and the reports of the Directors and the Auditor of the Company for the year ended 31 March 2011.
2. To re-elect the following Directors:
  - (a) Datuk LIM Chee Wah as Executive Director; and
  - (b) Mr. XIAO Huan Wei as Executive Director.
3. To re-appoint Messrs. PricewaterhouseCoopers as Auditor of the Company and to authorize the Board of Directors to fix their remuneration.

As special businesses and, if thought fit, to pass with or without amendments, the following ordinary resolutions:

4. (I) **“THAT:**
  - (a) a general mandate be and is hereby unconditionally given to the Board of Directors of the Company (“Directors”) to exercise during the Relevant Period all the powers of the Company to allot, issue and dispose of additional shares of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers either during or after the Relevant Period, not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution, otherwise than any Shares which may be issued pursuant to the following events:
    - (i) a rights issue;



---

## 2011 AGM NOTICE

---

- (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the Directors and employees of the Company and/ or any of its subsidiaries of shares or rights to acquire Shares;
  - (iii) any scrip dividend or similar arrangement in accordance with the Articles of Association; or
  - (iv) upon the exercise of the subscription rights attaching to any warrants issued by the Company; and
- (b) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting;
- (ii) the expiration of the period within which the next annual general meeting is required by the Articles of Association or any applicable law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to Shareholders or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong).”

---

## 2011 AGM NOTICE

---

(II) “**THAT**:

- (a) a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period all the powers of the Company to repurchase ordinary shares of HK\$0.01 each in the capital of the Company in accordance with all applicable laws and the requirements of the Listing Rules, provided that the aggregate nominal amount of Shares to be repurchased pursuant to the approval in this paragraph shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution; and
- (b) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting;
- (ii) the expiration of the period within which the next annual general meeting is required by the Articles of Association or any applicable law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting.”

(III) “**THAT**, conditional upon the passing of Resolutions 4(I) and 4(II) set out in the notice of annual general meeting of which this Resolution forms part, the aggregate nominal amount of Shares which may be repurchased by the Company pursuant to Resolution 4(II) shall be added to the aggregate nominal amount of the Shares which may be issued pursuant to Resolution 4(I).”

5. “**THAT** the Board of Directors be authorized to fix the Directors’ remuneration for the year ending 31 March 2012.”

By order of the Board  
**VXL Capital Limited**  
**LIM Yi Ping**  
*Company Secretary*

Hong Kong, 15 July 2011

---

## 2011 AGM NOTICE

---

*Notes:*

- (1) Any Shareholder entitled to attend and vote at the meeting (or at any adjournment thereof) shall be entitled to appoint one or more proxies to attend and on a poll vote on his behalf. A proxy need not be a Shareholder but must attend the meeting, or any adjournment thereof, in person to represent you.
- (2) In order to be valid, the proxy form, duly executed, and the power of attorney or other authority, if any, under which it is signed or an office copy or a notarially certified copy thereof, must be deposited at the registered office of the Company at Room 603A, 6th Floor, Empire Centre, No. 68 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong or at the office of the Company's Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time for holding the meeting or any adjournment thereof.
- (3) A circular containing further information concerning proposals for re-election of Directors, general mandate to issue and repurchase Shares and authorization to fix the directors' remuneration will be sent to Shareholders together with the Annual Report for the year ended 31 March 2011.
- (4) The Chinese version of the notice is for reference only. Should there be any discrepancies, the English version will prevail.

Pursuant to Rule 13.39(4) of the Listing Rule, all votes of shareholders at general meetings must be taken by poll. The Chairman of the 2011 AGM will therefore demand a poll for all resolutions put to vote of the 2011 AGM in accordance with Article 89 of the Articles of Association.

Article 89 of the Articles of Association sets out the procedures of demand a poll as below:

“At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (a) by the Chairman; or
- (b) by at least three (3) Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right.”

After the conclusion of the 2011 AGM, the results of the poll will be announced in accordance with Rule 13.39(5) of the Listing Rules.

---

## APPENDIX II      INFORMATION ON DIRECTORS PROPOSED FOR RE-ELECTION

---

The biographical information of the retiring Directors eligible and standing for re-election at the 2011 AGM is set out below:

### 1.      **DATUK LIM CHEE WAH (“Datuk Lim”)**

Datuk Lim, aged 56, has been appointed as the Chairman and Executive Director since 27 April 2004, and as Group President and Group Chief Executive Officer since 7 August 2010. Datuk Lim is also a member of the Executive Committee and Remuneration, Quality and Nomination Committee as well as a director of certain subsidiaries and associated companies of the Company. Save as disclosed, Datuk Lim does not hold other position in other members of the Group.

Datuk Lim holds a Bachelor of Economics degree of The London School of Economics, England. Datuk Lim has substantial investment and management experience in a wide range of industries including plantations, leisure and entertainment, construction, property development and information technology. Prior to joining the Group, Datuk Lim was the Deputy Managing Director of Genting Berhad and the Joint Managing Director of Asiatic Development Berhad during 1985 to 1990, and an Alternate Non-executive Director of Asia Financial Holdings Limited during 1997 to 2002. Datuk Lim was appointed as the Executive Director of Dataprep Holdings Berhad on 5 March 2002, and he was re-designated and continued to serve that company as a Non-independent Non Executive Director since November 2007. Genting Berhad and Asiatic Development Berhad are listed on the Main Board of the Bursa Malaysia Securities Berhad, Dataprep Holdings Berhad on the Second Board of the Bursa Malaysia Securities Berhad, and Asia Financial Holdings Limited on the Main Board of the Stock Exchange. Datuk Lim is a director and beneficial shareholder of VXL Capital Partners Corporation Limited (“VXLCPL”) and is also an ultimate beneficial owner of Huge More Limited (“Huge More”) from 7 May 2010, both VXLCPL and Huge More are substantial shareholder of the Company under the SFO. Save as disclosed above, Datuk Lim has not held any directorship in any other public listed company in the last three years.

As at the Latest Practicable Date, Datuk Lim interested in 1,069,308,000 Shares of the Company (representing 69.90% of the issued share capital of the Company) through his interests in VXLCPL and Huge More, both are substantial shareholders of the Company within the meaning of Part XV of the SFO. Datuk Lim is a director of and the beneficial owner of VXLCPL and ultimate beneficial owner of Huge More. Save as disclosed above, Datuk Lim does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Datuk Lim is not appointed for specific term but is subject to retirement by rotation and re-election at annual general meeting in accordance with the Articles of Association. There is no services contract entered into between the Company and Datuk Lim and he has waived to receive any emoluments since appointment.

---

## APPENDIX II      INFORMATION ON DIRECTORS PROPOSED FOR RE-ELECTION

---

Save as disclosed hereof, there are no other matters relating to his re-election that need to be brought to the attention of Shareholders and there is no other information which is discloseable pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

### 2.      **MR. XIAO HUAN WEI (“Mr. Xiao”)**

Mr. Xiao, aged 53, has been appointed as Executive Director since 25 July 2008. Mr. Xiao is also a member of the Executive Committee, a director of certain subsidiaries of the Group in Hong Kong and Mainland China and the President – China of the Group. Mr. Xiao has also been appointed as the Acting Chief Executive Officer of U-Inn Group since 31 March 2010. Save as disclosed, Mr. Xiao does not hold other position in other members of the Group.

Mr. Xiao has over twenty-four years professional experience in business investment, operation and management in 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. Save as disclosed above, Mr. Xiao has not held any directorship in any other public listed company in the last three years.

As at the Latest Practicable Date, Mr. Xiao did not have any interests in the Shares of the Company within the meaning of Part XV of the SFO and did not have any relationship with any Directors, senior management, substantial or controlling shareholders of the Company.

Mr. Xiao has entered into service contracts with subsidiaries of the Group with a term of two years commencing 1 October 2010 and is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association of the Company. Mr. Xiao’s annual emolument is approximately HK\$1,895,000 which is determined with reference to the Company’s current emoluments for executive directors and prevailing market rate together with discretionary bonus based on performance.

Save as disclosed hereof, there are no other matters relating to his re-election that need to be brought to the attention of Shareholders and there is no other information which is discloseable pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules.

The following is the Explanatory Statement required to be sent to the Shareholders under the Listing Rules which provides requisite information in connection with the proposed general mandate for repurchase of Shares and also constitutes the memorandum required under section 49BA of the Companies Ordinance.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,529,600,200 Shares.

Exercise in full of the Share Repurchase Mandate, on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the approval of the Share Repurchase Mandate, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 152,960,020 Shares representing not more than 10% of the issued share capital of the Company.

### **2. REASONS FOR REPURCHASE**

The Directors believe that the Share Repurchase Mandate is in the best interests of the Company and its Shareholders. Such repurchase(s) may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or its earnings per Share and will only be made when the Directors believe that such repurchase(s) will benefit the Company and its Shareholders.

### **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds entirely from the Company's available cash flow or working capital facilities which will be funds legally available in accordance with the provisions of the Articles of Association for the time being in force and the laws of Hong Kong for the purpose. It is envisaged that the funds required for any repurchase would be derived from those funds of the Company, legally permitted to be utilized in this connection, including capital paid up on the Shares to be repurchased, profits otherwise available for distribution and sums standing to either the share premium account or contributed surplus account of the Company.

On the basis of the consolidated financial position of the Company as at 31 March 2011 (being the date to which the latest published audited financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares now in issue, the Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company in the event that the Share Repurchase Mandate is to be exercised in full during the proposed repurchase period. No repurchase would be made in circumstances that would have a material adverse impact on the working capital or gearing position of the Company which in the opinion of the Directors is from time to time appropriate to the Company.

#### 4. SHARE PRICES

The highest and lowest market prices at which the Shares have traded on the Stock Exchange in each of the twelve months preceding the Latest Practicable Date are as follows:

	Shares Prices	
	Highest (HK\$)	Lowest (HK\$)
<b>2010</b>		
July	0.295	0.255
August	0.265	0.181
September	0.207	0.168
October	0.220	0.184
November	0.630	0.155
December	0.570	0.265
<b>2011</b>		
January	0.380	0.260
February	0.320	0.230
March	0.280	0.222
April	0.270	0.232
May	0.236	0.202
June	0.239	0.180
July (up to the Latest Practicable Date)	0.210	0.190

#### 5. UNDERTAKING

The Directors have undertaken to the Stock Exchange, so far as the same may be applicable, to exercise the power of the Company to make repurchases pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.



None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have a present intention, if the Share Repurchase Mandate is approved by Shareholders, to sell any Shares to the Company under the Share Repurchase Mandate.

No other connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, if the Share Repurchase Mandate is approved by Shareholders.

## **6. TAKEOVERS CODE**

If, as a result of a repurchase of the Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for purposes of the Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO, Datuk LIM Chee Wah ("Datuk Lim"), through VXL Capital Partners Corporation Limited ("VXLCPL"), a company wholly and beneficially owned by Datuk Lim, and Huge More Limited (a company wholly-owned by VXLCPL, respectively, controlled approximately 69.90% of the entire issued share capital of the Company. If the Share Repurchase Mandate is exercised in full, the controlling interests of Datuk LIM Chee Wah in the Company will increase to 77.68%. In the opinion of the Directors, such an increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code and would contravene the requirement under Rule 8.08 of the Listing Rules that at least 25 per cent of the Shares must be held by the public. The Directors have no present intention to exercise the power to repurchase Shares pursuant to the Share Repurchase Mandate to such an extent as would result in the level of shareholdings in the Company held by public shareholders falling below 25%. The Company will comply with the public float requirement under the Listing Rules.

## **7. REPURCHASES OF SHARES MADE BY THE COMPANY**

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

“2011 AGM”	The annual general meeting of the Company to be held on Monday, 19 September 2011 at 11:30 a.m.
“2011 AGM Notice” or “Notice of Annual General Meeting”	The notice convening the 2011 AGM, which is set out on pages 6 to 9 of this circular
“Articles of Association”	The Articles of Association of the Company
“Board”	The Board of Directors of the Company
“Company”	VXL Capital Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Companies Ordinance”	The Companies Ordinance (Chapter 32) of the Laws of Hong Kong, as amended from time to time
“Director(s)”	Director(s) of the Company
“Existing Share Issue Mandate”	A general mandate granted to the Directors at the annual general meeting held on 16 September 2010 to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the then issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Existing Share Repurchase Mandate”	A general mandate granted to the Directors at the annual general meeting held on 16 September 2010 to repurchase Shares not exceeding 10% of the aggregate nominal amount of the then issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Group”	The Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	11 July 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“SFO”	The Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong, as amended from time to time
“Share Issue Mandate”	A general mandate proposed to be granted to the Directors at the 2011 AGM to allot, issue and deal with Shares of up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Share Repurchase Mandate”	A general mandate proposed to be granted to the Directors at the 2011 AGM to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Share(s)”	Ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	Holder(s) of Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers published by the Securities and Futures Commission of Hong Kong