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CAPITAL VC LIMITED

首都創投有限公司

*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*

(Stock Code: 02324)

ACQUISITION OF INTERESTS IN LONG SURPLUS INVESTMENTS LIMITED

The Acquisition

The Directors are pleased to announce that on 2 May 2012 (after trading hours) the Company entered into the S&P Agreement with the Vendor to acquire an interest in Long Surplus. The consideration payable by the Company under the S&P Agreement will be settled by the allotment and issue of new Consideration Shares to the Vendor. The issuance of the Consideration Shares will be subject to the granting of the listing of and permission to deal in the Consideration Shares by the Listing Committee of the Stock Exchange.

Pursuant to the S&P Agreement, the Company agrees to buy and the Vendor agrees to sell the entire issued share capital of Long Surplus for a consideration of HK\$19,008,480 to be settled by issuing 84,116,984 Consideration Shares representing approximately 10.00% of the existing issued share capital of the Company and approximately 9.09% of the issued share capital of the Company as enlarged by the issue of the Consideration Shares.

The issue price of HK\$0.226 per Consideration Share represents a discount of approximately 0.88% to the closing price of HK\$0.228 per Share on the Last Trading Day, and a discount of approximately 3.00% to the average closing price of HK\$0.233 for the last five full trading days prior to the date of the S&P Agreement.

General

The Consideration Shares to be allotted and issued is subject to the granting of the listing of and permission to deal in the Consideration Shares by the Listing Committee of the Stock Exchange.

THE ACQUISITION

Date: 2 May 2012 (after trading hours)

Parties:

Purchaser

Capital VC Limited

Vendor

Superior Global International Limited, a company incorporated in the British Virgin Islands with limited liability.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries and as confirmed by the Vendor, the Vendor and its ultimate beneficial owners are Independent Third Parties not connected with the Company and connected persons of the Company.

Assets to be acquired: 50,000 shares in the issued share capital of Long Surplus

Consideration:

The consideration for the Acquisition amounts to HK\$19,008,480, which was determined after arm's length commercial negotiation between the parties. The consideration is based on an anticipated valuation of approximately HK\$501,480,000 on Go Markets Pty Limited multiplied by 3.98%, being the indirect percentage which the Company will hold in Go Markets Pty Limited on Completion plus an approximate 4.76% discount to such figure. The entire consideration will be satisfied by the Company allotting and issuing to the Vendor the Consideration Shares, credited as fully paid, upon Completion. The Consideration Shares, when issued, will rank pari passu in all respects with the existing issued Shares. The Consideration Shares to be allotted and issued is subject to the granting of the listing of and permission to deal in the Consideration Shares by the Listing Committee of the Stock Exchange.

Conditions Precedent for Completion of the Acquisition

Completion is conditional upon the following conditions being fulfilled and remaining fulfilled or waived by the Purchaser as at Completion:-

- (A) the clearance of all announcement(s) and circular(s) (if any) required to be issued by the Company under the Listing Rules and granting of all approvals, if necessary by the Stock Exchange in respect of all transactions contemplated by the S&P Agreement;
- (B) the Company undertaking a due diligence investigation in respect of Long Surplus and its subsidiaries including but not limited to the financial affairs, business, assets, results, legal and financing structure of Long Surplus and its subsidiaries and the Company being in its absolute discretion satisfied with the results of such due diligence investigation;
- (C) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Consideration Shares;
- (D) no event having occurred since the date hereof to Completion, the consequence of which is to materially and adversely affect the financial position, business or property, results of operations or business prospects of Long Surplus and its subsidiaries and such material adverse effect shall not have been caused;

- (E) the passing by the Shareholders of the Company at an extraordinary general meeting to be convened and held (if necessary) of an ordinary resolution to approve the S&P Agreement and the transaction contemplated hereunder including but not limited to the allotment and issue of the Consideration Shares credited as fully paid;
- (F) the warranties in the S&P Agreement remaining true and accurate and not misleading at the date completion as if repeated at the date of completion and at all times between the date of the S&P Agreement and date of completion; and
- (G) receipt by the Company to its satisfaction and in its sole discretion of a valuation report on the fair market value of the total equity interest of Go Markets Pty Limited being not less than HK\$501,480,000 as at 30 April 2012, issued by an independent professional valuer appointed by the Company

If any of the conditions precedent has not been fulfilled or waived by the Company (other than conditions (A), (C) and (E) which may not be waived) on or before 25 May 2012 (or such other date as the parties may agree), the provisions of the S&P Agreement shall from such date have no effect and no party shall have any liability under them (without prejudice to the rights of any of the parties in respect of antecedent breaches).

INFORMATION ON THE GROUP

The Company is an investment company under Chapter 21 of the Listing Rules and makes its investments in accordance with its investment objectives and policies. The Company and its subsidiaries are principally engaged in investments in listed and unlisted companies mainly in Hong Kong and the People's Republic of China.

INFORMATION ON LONG SURPLUS

Long Surplus is an investment holding company holding 241,642 Class B shares of US\$1.00 each in 247 Capital Limited representing 3.98% of its entire issued share capital. 247 Capital Limited owns 100% equity interest in Go Markets Pty Limited, which carries on the business of online trading in Australia since 2006. Go Markets Pty Limited specializes in offering online foreign exchange trading to retail investors as a "Straight Through Processing" provider. The Directors have been informed that Go Markets Pty Limited has a client base in more than 120 countries around the world with over 16,000 client accounts. Go Markets Pty Limited also has a European branch based in the Netherlands.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries and as confirmed by Long Surplus, Long Surplus and its ultimate beneficial owners are Independent Third Parties not connected with the Company and connected persons of the Company.

REASONS FOR THE ACQUISITION

The Company is an investment company under Chapter 21 of the Listing Rules and makes its investments in accordance with its investment objectives and policies. The Company and its subsidiaries are principally engaged in investments in listed and unlisted companies mainly in Hong Kong and the PRC.

The Acquisition is expected to diversify the Company's portfolio to outside of Asia to make the portfolio assets more international and to spread the risk of country/region.

EFFECT OF THE ACQUISITION ON THE SHAREHOLDING STRUCTURE

The following table shows the shareholding structure of the Company before and after completion of the Acquisition:

Shareholders	Shareholding of the Company before Completion		Shareholding of the Company after Completion	
	Number	Percentage	Number	Percentage
Willie International Holdings Limited	215,000,000	25.56%	215,000,000	23.24%
Longlife Group Holdings Limited	51,200,000	6.09%	51,200,000	5.53%
Public	574,969,847	68.35%	574,969,847	62.14%
Vendor	-	-	84,116,984	9.09%
Total	841,169,847	100.00%	925,286,831	100.00%

The Directors believe that the terms of the Acquisition are fair and reasonable and in the interests of the Shareholders as a whole.

GENERAL

The Consideration Shares to be allotted and issued is subject to the granting of the listing of and permission to deal in the Consideration Shares by the Listing Committee of the Stock Exchange.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

"Acquisition"	the acquisition by the Company of the entire issued share capital of Long Surplus
"Board"	the board of Directors
"Business Day(s)"	day(s) (other than Saturday and Sunday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
"Company" / "Purchaser"	Capital VC Limited, a company incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as CNI VC Limited, the shares of which are listed on the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Consideration Shares"	new shares of the Company falling to be issued under the S&P Agreement to settle the consideration payable by the Purchaser thereunder
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	party(ies) who, together with his/her ultimate beneficial owner(s) is/are persons independent of the Company and its connected persons
"Last Trading Day"	the date of the S&P Agreement
"Listing Committee"	the Listing Committee of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Surplus"	Long Surplus Investments Limited, a company incorporated in the British Virgin Islands with limited liability
"Long Stop Date"	25 May 2012, being the latest date for the fulfillment or waiver of the conditions precedent to which the S&P Agreement is subject
"PRC"	the People's Republic of China
"S&P Agreement"	the sale and purchase agreement dated 2 May 2012 and entered into between the Purchaser and the Vendor in relation to the Acquisition
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Superior Global International Limited, a company incorporated in the British Virgin Islands with limited liability
"%"	per cent

By Order of the Board
Dr. Liu Ta-Pei
Chairman

Hong Kong, 2 May 2012

As at the date of this announcement, the Board comprises executive Directors Dr. Liu Ta-pei (Chairman), Mr. Chui Tak Keung, Duncan, Mr. Kong Fanpeng and Mr. Yau Yan Ming Raymond; non-executive Directors Mr. Hung Cho Sing and Mr. Cheung Kwok Yu; and independent non-executive Directors Mr. Lam Kwan and Mr. Ong Chi King.