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**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 Venture International Investment Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

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**VENTURE INTERNATIONAL INVESTMENT HOLDINGS LIMITED**

**宏昌國際投資控股有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 61)**

**DISCLOSEABLE TRANSACTION:  
DISPOSAL OF EQUITY INTERESTS IN  
CHINACAST EDUCATION CORPORATION**

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A letter from the board of directors of Venture International Investment Holdings Limited is set out on pages 4 to 9 of this circular.

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## DEFINITIONS

*In this circular, unless the context requires otherwise, the following expressions shall have the following meanings when used herein:*

“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors from time to time
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“ChinaCast Communication”	ChinaCast Communication Holdings Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Singapore Exchange Securities Trading Limited
“ChinaCast Education”	ChinaCast Education Corporation, formerly known as Great Wall Acquisition Corporation, a company incorporated in Delaware, US and the shares of which are listed on the NASDAQ OTC Bulletin Board
“ChinaCast Education Share”	shares of US\$0.0001 (equivalent to approximately HK\$0.00078) each in the share capital of ChinaCast Education
“Company”	Venture International Investment Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the Sale and Purchase Agreement
“Directors”	directors of the Company
“Disposal”	the disposal of the Sale Shares by TVI to the Purchaser pursuant to the Sale and Purchase Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“Guarantor”	Ms. Xu Hongna, being the guarantor under the Sale and Purchase Agreement
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

## DEFINITIONS

“Latest Practicable Date”	18 April 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NASDAQ OTC Bulletin Board”	NASDAQ Over-The-Counter Bulletin Board in US
“Offer”	the pre-conditional voluntary offer by ChinaCast Education to acquire the entire issued share capital of ChinaCast Communication, further details of which are set out in the announcement published by DBS Bank Ltd. for and on behalf of Great Wall Acquisition Corporation (the former name of ChinaCast Education) dated 14 September 2005
“PRC”	the People’s Republic of China
“Purchaser”	Massive Right International Limited, a company incorporated in the British Virgin Islands and is wholly beneficially owned by the Guarantor
“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 March 2007 and entered into between TVI as vendor, the Purchaser as purchaser and the Guarantor as guarantor in relation to the sale and purchase of the Sale Shares
“Sale Shares”	1,551,771 ChinaCast Education Shares, representing approximately 5.74% of the issued share capital of ChinaCast Education as at the Latest Practicable Date
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong
“Shareholder(s)”	holder(s) of Share(s)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TVI”	Technology Venture Investments Limited, a wholly-owned subsidiary of the Company
“US”	the United States of America

## DEFINITIONS

“US GAAP”	United States generally accepted accounting principles
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“US\$”	United States dollars, the lawful currency for the time being of US
“%”	per cent.

*For the purpose of this circular, unless otherwise specified, conversion of US\$ into HK\$ is based on the approximate exchange rate of US\$1.00 to HK\$7.80. The exchange rate is for illustration purpose only and does not constitute a representation that any amounts have been, could have been or may be exchanged at this or any other rates at all.*

## LETTER FROM THE BOARD



### VENTURE INTERNATIONAL INVESTMENT HOLDINGS LIMITED

宏昌國際投資控股有限公司 \*

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 61)**

*Executive Directors:*

Mr. Tse Michael Nam (*Chairman*)

Mr. Chan Tze Ngon

*Independent non-executive Directors:*

Mr. Benedict Tai

Mr. Fu Yan Yan

Ms. Wang Xi Ling

Mr. Lim Yew Kong, John

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place of  
business in Hong Kong:*

Room 3101

31st Floor

118 Connaught Road West

Hong Kong

23 April 2007

*To the Shareholders*

Dear Sir or Madam,

### **DISCLOSABLE TRANSACTION: DISPOSAL OF EQUITY INTERESTS IN CHINACAST EDUCATION CORPORATION**

#### **INTRODUCTION**

Reference is made to the announcement of the Company dated 2 April 2007 in which the Board announced, among other matters, that on 29 March 2007, TVI, a wholly owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser and the Guarantor pursuant to which TVI agreed to sell and the Purchaser agreed to acquire the Sale Shares for an aggregate consideration of HK\$55,000,000 in cash.

The Disposal constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules. The purpose of this circular is to provide you with, among other things, further details of the Disposal.

\* For identification purpose only

## LETTER FROM THE BOARD

### BACKGROUND

Reference is made to the announcement of the Company dated 23 September 2005 in relation to, among other matters, the Offer made by ChinaCast Education for all the issued shares in ChinaCast Communication in accordance with Rule 15 of The Singapore Code of Take-overs and Mergers. Further details of the Offer have been disclosed in the announcement published by DBS Bank Ltd. for and on behalf of ChinaCast Education dated 14 September 2005 in relation to the Offer.

Reference is also made to the announcement of the Company dated 28 July 2006 in relation to, among other matters, the disposal of 33,037,220 shares in ChinaCast Communication held by TVI. Immediately after the completion of the said disposal, TVI continued to hold an aggregate of 33,037,221 shares in the issued share capital of ChinaCast Communication, which were exchanged for 1,551,771 ChinaCast Education Shares under the Offer. The Offer closed on 18 January 2007.

Immediately prior to the entering into of the Sale and Purchase Agreement, TVI beneficially held an aggregate 1,551,771 ChinaCast Education Shares, being the Sale Shares under the Disposal.

### SALE AND PURCHASE AGREEMENT

**Date:** 29 March 2007

**Parties:** (1) Vendor : Technology Venture Investments Limited  
(2) Purchaser : Massive Right International Limited  
(3) Guarantor : Ms. Xu Hongna

The Guarantor is a merchant. The Purchaser is a company incorporated in the British Virgin Islands and is principally engaged in investment holdings. The Purchaser is wholly and beneficially owned by the Guarantor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner, the Guarantor, is a third party independent of the Company and connected persons (as defined in the Listing Rules) of the Company.

### Asset disposed

Pursuant to the Sale and Purchase Agreement, TVI has agreed to dispose and the Purchaser has agreed to acquire the Sale Shares, which represent approximately 5.95% of the issued share capital of ChinaCast Education as at the date of the Sale and Purchase Agreement and approximately 5.74% of the issued share capital of ChinaCast Education as at the Latest Practicable Date.

## LETTER FROM THE BOARD

### Consideration

The aggregate consideration for the Disposal is HK\$55,000,000, i.e. approximately HK\$35.40 (equivalent to approximately US\$4.54) per Sale Share which shall be satisfied by the Purchaser in cash upon Completion.

The consideration for the Disposal was arrived at after arm's length negotiations between the parties to the Sale and Purchase Agreement after taking into consideration of various factors, in particular, the risks associated with the listing and registration of the Sale Shares and the low liquidity of the ChinaCast Education Shares traded on the NASDAQ OTC Bulletin Board. Please refer to the section headed "Reasons for the Disposal" for further details.

The price of HK\$35.40 for each Sale Share represents:

- (a) a discount of approximately 24.30% to the closing price of US\$6.00 (equivalent to approximately HK\$46.80) per ChinaCast Education Share as quoted on the NASDAQ OTC Bulletin Board on 28 March 2007, being the last trading day immediately prior to the entering into of the Sale and Purchase Agreement;
- (b) a discount of approximately 25.08% to the average of the closing prices of US\$6.06 (equivalent to approximately HK\$47.24) per ChinaCast Education Share as quoted on the NASDAQ OTC Bulletin Board for the five consecutive trading days including 28 March 2007, being the last trading day immediately prior to the entering into of the Sale and Purchase Agreement; and
- (c) a discount of approximately 24.52% to the average of the closing prices of US\$6.02 (equivalent to approximately HK\$46.96) per ChinaCast Education Share as quoted on the NASDAQ OTC Bulletin Board for the ten consecutive trading days including 28 March 2007, being the last trading day immediately prior to the entering into of the Sale and Purchase Agreement.

The Directors consider the terms and conditions of the Disposal to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

### Completion

Completion is expected to take place on the second Business Day after the entering into of the Sale and Purchase Agreement by the relevant parties (or any such other date as the relevant parties may agree to).

TVI will cease to hold any equity interests in ChinaCast Education upon Completion. It is expected that Completion will take place in April 2007.



## LETTER FROM THE BOARD

### Guarantee

Under the Sale and Purchase Agreement, the Guarantor has guaranteed to TVI the due and punctual performance of the Purchaser of its obligations under the Sale and Purchase Agreement.

### INFORMATION ON CHINACAST EDUCATION

ChinaCast Education is a company incorporated in Delaware, US with limited liability and the shares of which are listed on the NASDAQ OTC Bulletin Board. ChinaCast Education is principally engaged in effecting mergers, capital stock exchanges, asset acquisitions or other similar business combination with a company having its primary operation in the PRC.

According to the audited financial statements of ChinaCast Education (prepared based on US GAAP), there was no turnover for the financial year ended 31 December 2005 and the net loss before taxation and extraordinary items and net loss after taxation and extraordinary items for the financial year ended 31 December 2005 was approximately US\$1,178,000 (equivalent to approximately HK\$9,188,400) and approximately US\$1,214,000 (equivalent to approximately HK\$9,469,200) respectively. According to the audited financial statements of ChinaCast Education (prepared based on US GAAP), there was no turnover for the financial year ended 31 December 2004 and the net loss before taxation and extraordinary items and after taxation and extraordinary items for the financial year ended 31 December 2004 were both approximately US\$141,000 (equivalent to approximately HK\$1,099,800). The audited total assets of ChinaCast Education as at 31 December 2005 was approximately US\$24,298,000 (equivalent to approximately HK\$189,524,400) and the audited net assets of ChinaCast Education was approximately US\$18,325,000 (equivalent to approximately HK\$142,935,000).

As the Sale Shares represent approximately 5.74% of the issued share capital of ChinaCast Education as at the Latest Practicable Date, the net loss before and after taxation and extraordinary items attributable to the Sale Shares for the financial year ended 31 December 2005 were approximately US\$67,638 (equivalent to approximately HK\$527,576) and approximately US\$69,738 (equivalent to approximately HK\$543,956) and the net loss before and after taxation and extraordinary items attributable to the Sale Shares for the financial year ended 31 December 2004 were both US\$8,102 (equivalent to approximately HK\$63,196).

The Company's investment in the Sale Shares was classified as available for sale investments under current assets in the balance sheet of the Company before the Disposal.

## LETTER FROM THE BOARD

### REASONS FOR THE DISPOSAL

The Group is principally engaged in the distribution of information technology products, the provision of computer technology services and the carrying on of property agency business.

The Sale Shares represent approximately 5.74% of the issued share capital of ChinaCast Education as at the Latest Practicable Date and only a few thousands of ChinaCast Education Shares are traded on the NASDAQ OTC Bulletin Board on average during the past month immediately prior to the date of the announcement of the Company dated 2 April 2007. The Sale Shares are listed on NASDAQ OTC Bulletin Board but are not currently registered. Not being registered means these Sale Shares cannot be offered or sold to any US persons or corporations and therefore cannot be traded on NASDAQ OTC Bulletin Board until they are registered. As at the Latest Practicable Date, a registration statement has been filed but the registration has not been approved and as such the Sale Shares cannot be traded freely. Taking into consideration of the aforesaid and given the relatively low percentage equity interests in ChinaCast Education, the Directors are of the view that the Group will not derive any material attributable profits from its investment in ChinaCast Education in the long run and consider that it is fair and reasonable to dispose of the Sale Shares to the Purchaser at a discount. The Disposal will provide a quick and efficient way for the Group to realise its investment in ChinaCast Education.

Upon Completion, the Group will record a gain of approximately HK\$21,660,000, hence the Directors, including the independent non-executive Directors, consider that the terms and conditions of the Sale and Purchase Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the Disposal amount to HK\$55,000,000. After deducting expenses (including legal and other costs) of approximately HK\$200,000 relating to the Disposal, it is estimated that the net proceeds from the Disposal will amount to approximately HK\$54,800,000. The Directors intend to apply the net proceeds from the Disposal towards the general working capital of the Group.

### FINANCIAL EFFECT OF THE DISPOSAL

Based on the aggregate consideration of HK\$55,000,000 for the Disposal and the book value of the Sale Shares of approximately HK\$49,813,000 of which approximately HK\$33,340,000 pertains to the original cost and HK\$16,473,000 pertains to a revaluation of the value of the Sale Shares as at 30 June 2006, it is estimated that upon Completion, the Group will record a gain of approximately HK\$21,660,000 for the year ending 31 December 2007. The assets of the Group will increase by approximately HK\$5,187,000. The Disposal will not have any effect on the liabilities of the Group.

### LISTING RULES IMPLICATION

The Disposal constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

## LETTER FROM THE BOARD

### ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendix to this circular.

Yours faithfully  
On behalf of the Board  
**Venture International Investment Holdings Limited**  
**Tse Michael Nam**  
*Chairman*

## 1. RESPONSIBILITY STATEMENT

This document includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

## 2. DISCLOSURE OF INTERESTS

### (A) Director's interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the following Directors had or were deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules:

Name of Director	Nature of interest	No. of Shares held	Position	Approximate percentage of issued share capital
Chan Tze Ngon	Beneficial owner	125,542,000	Long	15.23%
Tse Michael Nam	Beneficial owner	30,000,000	Long	3.64%
Fu Yan Yan	Beneficial owner	600,000	Long	0.07%
Wang Xi Ling	Beneficial owner	600,000	Long	0.07%
Name of Director	Nature of interest	No. of underlying Shares	No. of share options	Position
Benedict Tai ( <i>Note 1</i> )	Beneficial owner	600,000	600,000	Long
Lim Yew Kong, John ( <i>Note 2</i> )	Beneficial owner	600,000	600,000	Long

*Notes:*

- These options were granted under the share option scheme adopted by the Company and entitle the holders thereof to subscribe for Shares at an issue price of HK\$0.15 per Share.
- These options were granted under the share option scheme adopted by the Company and entitled the holders thereof to subscribe for Shares at an issue price of HK\$0.35 per Share.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

**(B) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial Shareholders**

So far as is known to the Directors, as at the Latest Practicable Date, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

(i) *Interests in shares of associated corporations of the Company*

Name of subsidiary	Name of entity	Class and no. of securities	Percentage shareholdings
TVH Cyber Technology Ltd.	Yi Jun Yong	200 ordinary shares of HK\$1 each (L)	20%
BMC Software (China) Ltd.	BMC Software (HK) Ltd.	1 ordinary share of HK\$1 (L)	10%

*L: represents the entity's interests in the securities*

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person (other than the Directors and the chief executive of the Company), including companies of which the Director/proposed directors is an employee, who had, or was deemed to have, interests or short positions in the Shares or underlying Shares (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

### 3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

### 4. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

### 5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors nor their respective associates had any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

### 6. MISCELLANEOUS

- (a) The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The head office and principal place of business of the Company in Hong Kong is located at Room 3101, 31st Floor, 118 Connaught Road West, Hong Kong.
- (c) Tengis Limited, the transfer office of the Company in Hong Kong is located at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (d) The secretary of the Company is Ms. Chan Shui Kuen, a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.
- (e) The qualified accountant of the Company is Ms. Ng Jenna Bee Ching, a member of CPA Australia.
- (f) In the event of any inconsistency, the English language text of this circular shall prevail over the Chinese language text.