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**VICTORY CITY INTERNATIONAL HOLDINGS LIMITED**

**冠華國際控股有限公司 \***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 539)**

**COMPLETION OF DISCLOSEABLE AND CONNECTED TRANSACTION**

The Board is pleased to announce that all conditions precedent to the Acquisition Agreement have been fulfilled/waived (where applicable). Following the fulfillment/waiver (where applicable) of all conditions precedent to the Acquisition Agreement, 128,792,215 Consideration Shares were allotted and issued by the Company under the procurement by the Purchaser, credited as fully paid, to each of Pearl Garden Pacific Limited and Madian Star Limited at the direction of the Vendor on 29 July 2011 pursuant to the terms and conditions of the Acquisition Agreement. As a result, the issued share capital of the Company increased to 1,480,138,903 Shares and the Vendor and parties acting in concert with it were interested in 652,071,430 Shares, representing approximately 44.05% of the issued share capital of the Company as at the date of this announcement.

Reference is made to the circular of the Company dated 30 June 2011 in relation to, among other things, (1) a discloseable and connected transaction; and (2) whitewash waiver application of the Company (the “**Circular**”). Capitalised terms used in this announcement shall have the same meanings as defined in the Circular unless the context requires otherwise.

The Board is pleased to announce that all conditions precedent (including the Independent Shareholders’ approval of the Acquisition Agreement, the Whitewash Waiver and the respective transactions contemplated thereunder at the SGM, which was obtained by the Company on 18 July 2011, the grant of the Whitewash Waiver by the Executive of the SFC, and the listing approval from the Listing Committee of the Stock Exchange in respect of the Consideration Shares) to the Acquisition Agreement have been fulfilled/waived (where applicable).

Following the fulfillment/waiver (where applicable) of all conditions precedent to the Acquisition Agreement, 128,792,215 Consideration Shares were allotted and issued by the Company under the procurement by the Purchaser, credited as fully paid, to each of Pearl Garden Pacific Limited and Madian Star Limited at the direction of the Vendor on 29 July 2011 pursuant to the terms and conditions of the Acquisition Agreement.

As a result, the issued share capital of the Company increased from 1,222,554,473 Shares to 1,480,138,903 Shares and (a) each of Pearl Garden Pacific Limited and Madian Star Limited was interested in 325,178,215 Shares respectively, representing approximately 21.97% of the issued share capital of the Company, and (b) the Vendor and parties acting in concert with it were interested in 652,071,430 Shares, representing approximately 44.05% of the issued share capital of the Company as at the date of this announcement.

As at the date of this announcement, options to subscribe for an aggregate of 108,355,498 Shares granted pursuant to the share option scheme of the Company were outstanding, out of which 3,199,474 options are held by Vendors and parties acting in concert with it.

By order of the Board  
**Victory City International Holdings Limited**  
**Li Ming Hung**  
Chairman

Hong Kong, 29 August 2011

*As at the date of this announcement, the Board comprises Mr. Li Ming Hung (Chairman), Mr. Chen Tien Tui (Chief Executive Officer), Mr. Lee Yuen Chiu, Andy and Mr. Choi Lin Hung as executive Directors and Mr. Kan Ka Hon, Mr. Phaisalakani Vichai and Mr. Kwok Sze Chi as independent non-executive Directors.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

\* For identification purposes only