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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)



FORD GLORY GROUP HOLDINGS LIMITED

福源集團控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1682)

**JOINT ANNOUNCEMENT PURSUANT TO RULE 3.7 OF
THE TAKEOVERS CODE AND RULE 13.09 OF THE LISTING RULES
AND INSIDE INFORMATION PROVISIONS UNDER PART XIVA OF THE
SECURITIES AND FUTURES ORDINANCE**

AND

RESUMPTION OF TRADING

This joint announcement is made pursuant to Rule 3.7 of The Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”) and Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the joint announcement of Victory City International Holdings Limited (“**VC**”) and Ford Glory Group Holdings Limited (“**FGG**”) dated 24 July 2013 in relation to, among others, a possible acquisition of all or part of the shares of FGG (“**FGG Shares**”) held by the controlling shareholder of FGG, Sure Strategy Limited (“**Sure Strategy**” or the “**Seller**”), by an independent third party as purchaser. Reference is also made to the update announcements dated 23 August 2013, 23 September 2013, 23 October 2013 and 19 November 2013 jointly issued by VC and FGG.

Each of VC and FGG wishes to further update their respective shareholders that, after making an enquiry with Sure Strategy, the board of directors of FGG was informed by Sure Strategy that Sure Strategy has entered into a non-legally binding memorandum of understanding (the “**MOU**”) (save for some terms including the requirement on exclusivity set out below in this joint announcement) with an independent third party purchaser (the “**Buyer**”) on 18 December 2013. Pursuant to the MOU, the Seller intends to sell or procure to sell (as appropriate) and the Buyer intends to purchase certain FGG Shares which shall represent 62% of the total issued share capital of FGG (the “**Proposed Transaction**”) as of the date of completion of the Proposed Transaction.

* For identification purposes only

The MOU contains, inter alia, the following major terms:

Proposed Consideration

It is proposed that the consideration for the Proposed Transaction shall be finally determined by the Buyer and the Seller in the formal agreement for the Proposed Transaction (the “**Formal Agreement**”).

Exclusivity

The Seller undertakes to procure that during the period from the date of the MOU to the date which is 30 business days from the payment date of the earnest money as stipulated in the MOU, the Seller will not discuss or negotiate with any other party or entity other than the Buyer regarding the transactions contemplated under the MOU and the Formal Agreement or similar transactions.

Further, the Proposed Transaction, if materialised, may lead to a change in control of FGG and a mandatory general offer under the Takeovers Code for all the issued FGG Shares (other than those already owned by or agreed to be acquired by the Buyer and parties acting in concert with it). The Proposed Transaction may also constitute notifiable transaction of VC under the Listing Rules. As at the date of this joint announcement, no formal or legally binding agreement had been entered into between the Seller and the Buyer in respect of the Proposed Transaction.

Each of VC and FGG wishes to emphasise that the Proposed Transaction is subject to, among other things, the signing of the Formal Agreement, the terms and conditions of which are yet to be agreed. Shareholders and potential investors of each of VC and FGG should note that the Proposed Transaction may or may not materialise and the final structure and terms of the Proposed Transaction, which are still subject to further negotiations between the parties, have yet to be finalised and may deviate from those set out in the MOU. The discussions are still in progress and the Proposed Transaction may or may not proceed.

Save as disclosed, each of VC and FGG is not aware of any material new development in relation to the Proposed Transaction which should be brought to the attention of their respective shareholders.

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the aforesaid discussions will be made until announcement of firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by VC and/or FGG as and when appropriate or required in accordance with the Listing Rules and the Takeovers Code (as the case may be).

Shareholders and potential investors of each of VC and FGG should be aware that the MOU is non-legally binding. Each of VC and FGG shall comply with the relevant disclosure and/or its shareholders' approval requirements under the Listing Rules and the Takeovers Code where appropriate. There is no assurance that the Proposed Transaction will materialise or eventually be consummated and the discussions in relation to the Proposed Transaction set out in the MOU may or may not proceed. The terms of the Proposed Transaction are subject to negotiations between the parties to the MOU. As such, the discussions may or may not lead to a general offer. Shareholders of VC and FGG and public investors are urged to exercise extreme caution when dealing in the shares and/or other securities of VC and FGG.

TRADING HALT AND RESUMPTION OF TRADING

At the request of each of VC and FGG, trading in the shares of VC and FGG on the Stock Exchange was halted with effect from 9:00 a.m. on 19 December 2013 pending the release of this announcement.

Application has been made by each of VC and FGG for resumption of trading in its shares on the Stock Exchange with effect from 9:00 a.m. on 20 December 2013.

By order of the Board

Victory City International Holdings Limited

Li Ming Hung

Chairman

By order of the Board

Ford Glory Group Holdings Limited

Choi Lin Hung

Chairman

Hong Kong, 19 December 2013

As at the date of this joint announcement, the board of directors of VC 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.

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

As at the date of this joint announcement, the board of directors of FGG comprises Mr. Choi Lin Hung, Mr. Lau Kwok Wa, Stanley and Mr. Ng Tze On as executive directors; Mr. Chen Tien Tui and Mr. Li Ming Hung as non-executive directors; and Mr. Lau Chi Kit, Mr. Mak Chi Yan, Mr. Wong Wai Kit, Louis and Mr. Yuen Kin Kei as independent non-executive directors.

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