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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: 0539)

DISCLOSURE PURSUANT TO RULE 13.18

This announcement is made by Victory City International Holdings Limited (“**Company**”) in compliance with the disclosure requirements under Rule 13.18 of the Rules Governing the Listing of Securities (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited.

Victory City Company Limited (“**Borrower**”) is a wholly-owned subsidiary of the Company. By an agreement dated 28 February 2014 (“**Facility Agreement**”) entered into by, among others, the Borrower, the Company and certain of its subsidiaries (as guarantors), and a syndicate of banks, the banks have agreed to grant a loan facility (“**Facility**”) divided into 2 tranches of up to the principal sums of HK\$1,547,800,000 and US\$56,800,000 (equivalent to approximately HK\$440,200,000) respectively to finance the repayment of amount outstanding under the HK\$851,750,000 and US\$68,750,000 syndicated term loan facility agreement dated 15 March 2012 and the general corporate funding requirements of the Company and its subsidiaries (“**Group**”).

The Facility is for a term of forty-two (42) months commencing from the date of the Facility Agreement and is guaranteed by the Company and certain of its subsidiaries.

The Facility Agreement contains a requirement that Mr. Li Ming Hung (“**Mr. Li**”) and Mr. Chen Tien Tui (“**Mr. Chen**”) must own (whether by themselves or through trust arrangements) not less than 30% of the voting share capital of the Company (which shall be free from encumbrance) in aggregate. A breach of such requirement will constitute an event of default under the Facility Agreement, and as a result, the Facility is liable to be declared immediately due and payable. The occurrence of such circumstance may trigger the cross default provisions of other banking/credit facilities available to the Group and, as a possible consequence, these other facilities may also be declared to be immediately due and payable.

As at the date hereof, Mr. Li and his associates together own approximately 22.30% of the voting share capital of the Company whereas Mr. Chen and his associates together own approximately 22.42% of the voting share capital of the Company. Neither Mr. Li nor Mr. Chen is individually a controlling shareholder of the Company but their respective shareholdings in the Company, if aggregated, may render them together controlling shareholders for the purpose of the disclosure obligation under Rule 13.18 of the Listing Rules.

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

Hong Kong, 28 February 2014

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

Unless otherwise stated, in this announcement, for illustration purposes only, amounts quoted in US\$ are converted into HK\$ at the rate of US\$1 = HK\$7.75. Such exchange rate has been used, where applicable, for illustration purposes only and does not constitute a representation that any amounts were or may have been exchanged at these or any other rates or at all.

** For identification purposes only*