

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



VBG INTERNATIONAL HOLDINGS LIMITED

建泉國際控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8365)

SUPPLEMENTAL ANNOUNCEMENT TO ANNUAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019 AND CHANGE IN USE OF PROCEEDS

Reference is made to the annual report of VBG International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 30 September 2019 (the “**2018-2019 Annual Report**”) published on 20 December 2019 and the announcement of the Company dated 7 August 2020 in respect of the Group’s unaudited third quarterly results for the nine months ended 30 June 2020 (the “**Third Quarterly Results Announcement**”). Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as set out in the 2018-2019 Annual Report and the Third Quarterly Results Announcement.

2018-2019 ANNUAL REPORT - EXPECTED TIMELINE FOR UTILIZING THE UNUTILIZED NET PROCEEDS

Reference is made to the paragraph headed “Use of proceeds” of the 2018-2019 Annual Report. The board (the “**Board**”) of directors of the Company wishes to supplement the following in the 2018-2019 Annual Report:

	Expected timeline for utilizing the unutilised Net Proceeds
To expand the Group’s placing and underwriting business	From 1 October 2019 to 30 September 2020
To enhance and strengthen the Group’s financial advisory business by maintaining and expanding its corporate finance team	From 1 October 2019 to 30 September 2020
To develop asset management business	From 1 October 2019 to 30 September 2020
To expand the Group’s network internationally and across the PRC	From 1 October 2019 to 30 September 2020
General working capital	From 1 October 2019 to 30 September 2020

CHANGE IN USE OF PROCEEDS

As disclosed in the section headed “USE OF PROCEEDS” in the Third Quarterly Results Announcement, the amount of remaining balance of the unutilised Net Proceeds as at 30 June 2020 amounted to approximately HK\$2.6 million (the “Unutilised Net Proceeds”). The Board has resolved to change the use of HK\$2.2 million out of the remaining balance of the Unutilised Net Proceeds.

Breakdown of the adjusted Net Proceeds, breakdown of the amount of Net Proceeds utilised as at 30 June 2020, breakdown of the amount of Unutilised Net Proceeds as at 30 June 2020, the proposed change of use of the Unutilised Net Proceeds, and the breakdown of the amount of Unutilised Net Proceeds after the proposed change of use of proceeds as at 30 June 2020 are summarised as follows:

	Adjusted Net Proceeds	Amount of Net Proceeds utilised as at 30 June 2020	Amount of Unutilised Net Proceeds as at 30 June 2020	Proposed change of use of the Unutilised Net Proceeds	Amount of Unutilised Net Proceeds after the proposed change of use of proceeds as at 30 June 2020
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
To expand the Group’s placing and underwriting business	34.3	34.3	-	-	-
To enhance and strengthen the Group’s financial advisory business by maintaining and expanding its corporate finance team	5.5	5.5	-	-	-
To develop asset management business	5.0	2.6	2.4	(2.0)	0.4
To expand the Group’s network internationally and across the PRC	12.1	11.9	0.2	(0.2)	-
General working capital	2.0	2.0	-	2.2	2.2
Total	58.9	56.3	2.6	2.2	2.6

REASONS FOR THE PROPOSED CHANGE IN USE OF PROCEEDS

The impact of COVID-19 pandemic has created unprecedented challenges for all businesses in 2020. The Board considered that with no signs that the COVID-19 might end soon, and also no signs that the Sino-U.S. trade war be resolvable, these uncertainties could create an adverse negative impact on the Group's business in the near term. To mitigate such potential impact, the Board considered that it is necessary for the Group to maintain sufficient working capital in preparation of any market upheaval. In view of the circumstances, the Board has resolved to allocate (i) HK\$2.0 million out of the Unutilised Net Proceeds originally earmarked for the development of the Group's asset management business and (ii) the Unutilised Net Proceeds amounting to HK\$0.2 million for the expansion of the Group's network internationally and across the PRC to general working capital of the Group. The Board considers that the proposed change in use of proceeds is in the best interest of the Company and its shareholders as a whole and that it will allow the Group to deploy its financial resources more effectively.

By Order of the Board
VBG International Holdings Limited
Hui Ringo Wing Kun
Executive Director

Hong Kong, 10 August 2020

As at the date of this announcement, the directors of the Company (the “**Directors**”) are:

Executive Directors:

Ms. Wan Ho Yan Letty (*Chairperson*)

Mr. Hui Ringo Wing Kun

Non-executive Director:

Mr. Wan Chuen Fai

Independent Non-executive Directors:

Mr. Kam Cheuk Fai David

Mr. William Robert Majcher

Mr. Ho Lik Kwan Luke

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This announcement will also be published and remains on the Company's website at www.vbg-group.com.

** for identification purpose only*