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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)**

### **(1) UPDATES IN RELATION TO CONNECTED TRANSACTION: PROPOSED FURTHER AMENDMENT TO THE TERMS AND CONDITIONS OF CONVERTIBLE BONDS AND WHITEWASH WAIVER AND (2) DELAY IN DESPATCH OF CIRCULAR**

Reference is made to the announcement of the Company dated 23 October 2020 (the “**Announcement**”), in respect of, amongst others, the Deed of Amendment, the Whitewash Waiver and the Increase in Authorised Share Capital. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

#### **UPDATES IN RELATION TO CONNECTED TRANSACTION: PROPOSED FURTHER AMENDMENT TO THE TERMS AND CONDITIONS OF CONVERTIBLE BONDS AND THE WHITEWASH WAIVER**

The Company was notified that Pearl Garden and Madian Star would not proceed with the application for Whitewash Waiver. As disclosed in the Announcement, the Whitewash Waiver shall be valid for the first two-year term of the Convertible Bonds (as amended by the Deed of Amendment). After due consideration of the holders of the Convertible Bonds, they consider that as the Whitewash Waiver will only be valid for the first two-year term of the Convertible Bonds and will expire in June 2021, which is approximately eight months ahead, and also as relatively more time and costs will be

involved in obtaining the Whitewash Waiver, they consider that it is more expedient not to obtain the Whitewash Waiver in light of the short interim period of time prior to maturity of the first two-year term of the Convertible Bonds.

Accordingly, Pearl Garden and Madian Star would, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive, be obliged to make a mandatory general offer for all the issued Shares not already owned or agreed to be acquired by the Concert Group pursuant to Rule 26.1 of the Takeovers Code as a result of the issue of Conversion Shares pursuant to the proposed conversion of the Convertible Bonds in full.

Pearl Garden and Madian Star proposed to enter into a supplemental deed with the Company to delete the condition precedent involving the approval and obtaining of the Whitewash Waiver, with other terms and conditions of the Deed of Amendment remain unchanged. The Company will communicate with Pearl Garden and Madian Star in relation to the proposed amendment to the Deed of Amendment, and any agreement (if any) will be entered into after the publication of the interim results of the Company for the six months ended 30 September 2020 since the blackout period of the Company has commenced.

#### **DELAY IN DESPATCH OF CIRCULAR**

As set out in the Announcement, a circular (the “**Circular**”) containing, among other things, (i) details of the Deed of Amendment, the Whitewash Waiver and the Increase in Authorised Share Capital; (ii) the letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Deed of Amendment and the Whitewash Waiver; (iii) the letter of advice from Gram Capital to the Independent Board Committee and the Independent Shareholders in relation to the Deed of Amendment and the Whitewash Waiver; and (iv) the notice of the SGM and a form of proxy will be despatched to the Shareholders on or before 13 November 2020.

Following the entering into the supplemental deed as mentioned above, it is expected that the Circular will not contain any information in relation to the Whitewash Waiver as it will no longer be applied for.

As set out in another announcement of the Company dated 23 October 2020 in relation to the proposed amendment to the terms of the convertible bonds issued to Mr. Wang Chia Po on 13 August 2019 and the convertible bonds issued to Mr. Wong Shu Fat on 23 October 2019 (collectively, “**Independent Convertible Bonds**”), a circular containing, among other things, (i) details of the deeds of amendment to the Independent Convertible Bonds; and (ii) the notice of the SGM and a form of proxy will be despatched to the Shareholders on or before 16 November 2020.

As the Group would like to allow Shareholders to have the latest financial information of the Group before considering the matters to be deliberated pursuant to the circulars and due to the updates as mentioned above, the Group proposes to combine both circulars into one. Accordingly, the despatch date of the combined circular will be delayed. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

**Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.**

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

Hong Kong, 30 October 2020

*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.*

*\* for identification purposes only*