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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)

PROFIT WARNING

This announcement is made by Victory City International Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the information currently available to the Company, the Group’s profit attributable to owners of the Company for the six months ended 30 September 2020 is presently anticipated to have a significant decrease of approximately 75% as compared to that for the six months ended 30 September 2019.

The significant decrease in profit was mainly attributable to (i) the decrease in revenue of not less than 15% as a result of the deteriorated market conditions brought by the trade war between China and the United States and the COVID-19 pandemic; and (ii) the decrease in other gains and losses of not less than 90% primarily due to the one-off gain of approximately HK\$67.3 million recognised during the six months ended 30 September 2019 for the disposal of a piece of land by Nanjing Synergy Textiles Limited, a subsidiary of the Company.

As the Company is still in the process of finalising the interim results of the Group for the six months ended 30 September 2020, the information contained in this announcement is only based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 September 2020, which have not been audited or reviewed by the Company's auditors nor reviewed by the audit committee of the Board. Therefore, the actual results of the Group for the six months ended 30 September 2020 may differ from the information contained in this announcement. The Shareholders and potential investors should refer to the Group's interim results announcement for the six months ended 30 September 2020, which is expected to be published by the end of November 2020, for details of the performance of the Group.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 11 November 2020

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

** for identification purposes only*