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VICTORY GROUP LIMITED

華多利集團有限公司

(Incorporated in Bermuda with limited liability)

PROPOSED BONUS WARRANT ISSUE

The Company proposes the conditional bonus issue of warrants ("Bonus Warrant Issue") to shareholders of the Company (except overseas shareholders as defined below) whose names appear on the register of members of the Company on 15 March 2000 on the basis of one warrant for

every five Subdivided Shares in the Company then held by them.

The warrants will entitle the holders thereof to subscribe for new Subdivided Shares at an initial subscription price of HK\$0.3 per Subdivided Share, subject to adjustment, at any time between the date of issue of the warrants (expected to be 17 March 2000) and 16 March 2001, both days inclusive.

A circular containing details of the Bonus Warrant Issue together with the notice convening the Special General Meeting (as defined below) to approve the Bonus Warrant Issue will be sent to the shareholders of the Company as soon as possible. The Directors will also seek a new general mandate to exercise the powers of the Company to allot and issue up to a maximum of 20% of new Subdivided Shares at the Special General Meeting.

Further to the announcement made by the directors (the "Directors") of Victory Group Limited (the "Company") on 28 January 2000 on the proposed subdivision of share capital (the "Proposed Subdivision") in which the

Company's existing issued and unissued shares of HK\$0.10 each will be subdivided into five shares of HK\$0.02 each (the "Subdivided Shares"), the Directors further announce that the Company proposes a bonus issue of warrants (the "Warrants"), the terms of which are as follows:-

BASIS OF BONUS WARRANT ISSUE

Subject to the approval of the shareholders of the Company on the Proposed Subdivision and the proposed Bonus Warrant Issue, one unit of Warrants for every five Subdivided Shares held on 15 March 2000 will be issued and allotted. Full exercise of the Warrants at the initial subscription price of HK\$0.3 per Subdivided Share would result in the issue of a total of 230,000,000 new Subdivided Shares of HK\$0.02 each in the capital of the Company, representing 20% of the then existing issued share capital (not including the portion of share capital as may be enlarged by the Consideration Shares as defined below), and the receipt by the Company of HK\$69,000,000 before expenses.

SUBSCRIPTION PRICE

The Warrants will entitle the holders to subscribe for new Subdivided Shares of the Company at a price of HK\$0.3 per Subdivided Share in cash, subject to adjustments. The Warrant exercise price represents a discount of approximately 45.95% to the closing price of HK\$0.555 per Subdivided Share of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 January 2000 (the last trading day) and a discount of approximately 22% based on the average closing price per Subdivided Share of HK\$0.3847 as quoted on the Stock Exchange for the past 10 trading days up to, and including 28 January 2000.

SUBSCRIPTION PERIOD

The Warrants may be exercised at any time following the day of issue of the Warrants, which is expected to be on 17 March 2000, and up to 16 March 2001 (both days inclusive). It is expected that certificates for the Warrants will be posted on or before 17 March 2000 at the risk of the

persons entitled thereto to their respective addresses shown on the register of members of the Company. Dealings in the Warrants are expected to commence on 22 March 2000.

RECORD DATE

The Warrants will be issued to the shareholders of the Company (except overseas shareholders as defined below) whose names appear on the register of members of the Company on 15 March 2000.

FRACTIONAL ENTITLEMENTS

Fractional entitlements will not be issued but will be aggregated and sold for the benefit of the Company.

OVERSEAS SHAREHOLDERS

The documents to be issued in relation to the Bonus Warrant Issue will not

be registered under any securities legislation of any jurisdiction outside Hong Kong and Bermuda. If on the Record Date (being 15 March 2000) a shareholder's address on the Company's register of members is in a place outside Hong Kong (the "Overseas Shareholder"), no Warrants will be issued

to such Overseas Shareholder as the offering of the Warrants by the Company to such Overseas Shareholder may contravene relevant securities regulations in that shareholder's country of residence.

Arrangements will be made for the Warrants which would otherwise have been

issued to the Overseas Shareholders to be sold in the market as soon as possible. Any net proceeds of sale, after deduction of expenses, will be distributed in Hong Kong dollars pro rata to such persons and remittances thereof will be posted to them, at their own risk, unless the amount failing to be distributed to any such person is less than HK\$100, in which case it will be retained for the benefit of the Company. Fractional entitlements to the Warrants will not be issued but will be aggregated and sold for the benefit of the Company.

STATUS OF SHARES TO BE ISSUED UPON EXERCISE OF WARRANTS

Subdivided Shares which are issued on the exercise of the subscription rights attaching to the Warrants will rank pari passu in all respects with the then issued Subdivided Shares subject to the Proposed Subdivision becoming effective.

BOARD LOT

The Warrants are expected to be traded in board lots of 8,000 carrying rights to subscribe for Subdivided Shares equivalent to a subscription price of HK\$2,400.

CONDITIONS TO BONUS WARRANT ISSUE

The Bonus Warrant Issue will be conditional upon:-

- (i) the approval of the shareholders of the Company at a special general meeting which is expected to be held on 15 March 2000 (the "Special General Meeting");
- (ii) the Listing Committee of the Stock Exchange granting listings of and permission to deal in the Warrants and the new Subdivided Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants; and
- (iii) the Bermuda Monetary Authority granting the permission for the issue of Warrants and the new Subdivided Shares falling to be issued upon exercise of the subscription rights attaching to the Warrants.

Application will be made to the Listing Committee of the Stock Exchange
in
respect of such listings.

CLOSURE OF REGISTER

The register of members of the Company will be closed from 10 March
2000
to 15 March 2000, both days inclusive, in order to determine entitlements
to the Bonus Warrant issue.

Shareholders are reminded that in order to qualify for the Bonus Warrant
Issue, they must ensure that all transfers accompanied by the relevant
share certificates are lodged with the Company's Branch Registrar in Hong
Kong, Tengis Limited at 1601 Hutchison House, 10 Harcourt Road, Hong
Kong
for registration not later than 4:00 p.m. on Thursday, 9 March 2000.

PROPOSED SUBDIVISION AND ALLOTMENT OF CONSIDERATION SHARES

With reference to the announcement made by the Directors on 26 January
2000 regarding the acquisition of 48% interest in eSolutions Holding
Limited in consideration of the allotment and issue of 15,000,000 new
shares (the "Consideration Shares") in the Company, the Directors wish to

confirm that if by the time of the allotment of the Consideration Shares, the Proposed Subdivision has become unconditional, the 75,000,000 Subdivided Shares of HK\$0.02 each will be allotted and issued. Subject to the Bonus Warrant Issue becoming unconditional, 15,000,000 Warrants at the initial subscription price of HK\$0.3 will be issued and full exercise of those Warrants would result in the issue of an additional 15,000,000 new Subdivided Shares of HK\$0.02 each in the capital of the Company.

In case the Proposed Subdivision is not approved by the shareholders but the Bonus Warrant Issue becomes unconditional, further announcement will be made.

GENERAL

The Directors will also seek a new general mandate to exercise the powers of the Company to allot and issue up to a maximum of 20% of new Subdivided Shares at the Special General Meeting.

A circular containing details of the Bonus Warrant Issue and a notice convening the Special General Meeting for the purposes of approving the Bonus Warrant Issue will be sent to shareholders shortly. The Directors will also seek a new general mandate to exercise the powers of the Company to allot and issue new Subdivided Shares at the Special General Meeting.

Trading of Victory Group Limited's shares was suspended on the Stock Exchange at 10:00 a.m. on 31 January 2000 pending the release of this announcement. Application will be made to the Stock Exchange to resume trading at 10:00 a.m. on 1 February 2000.

On behalf of the Board

Chan Chun Choi

Chairman

Hong Kong, 31 January 2000