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VICTORY GROUP LIMITED

華多利集團有限公司

(Incorporated in Bermuda with limited liability)

UPDATE ON OUR ANNOUNCEMENT OF 29 FEBRUARY 2000

The board of directors of Victory Group Limited (the "Company") refers to the Company's announcement dated 29 February 2000 and wishes to announce that the negotiation for possible disposal of 42% shareholding interest in the Company by Mr. Chan Chun Choi ("Mr. Chan"), the controlling shareholder and a director of the Company, is still proceeding. During the period from 1 March 2000 to 12 April 2000, Mr. Chan and Fountain Technologies, Inc. ("Fountain"), the possible acquirer, were not able to make further progress in relation to the possible share sale. It is expected that the representatives of Fountain will hold a meeting with Mr. Chan in the evening of 13 April 2000.

Up till now, no concrete terms have been reached in respect of such possible disposal between Mr. Chan and Fountain. **The Company wishes to state that if the share sale materialises, it will lead to a general offer for the Company. The shareholders of the Company should note that the possible disposal of the 42% of interest in the Company by Mr. Chan to Fountain may or may not proceed.** Further announcement will be made as and when appropriate. **Shareholders and investors should exercise extreme caution when dealing in the shares of the Company.**

By Order of the Board
Victory Group Limited
Chan Chun Choi
Director

Hong Kong, 13 April 2000

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.