

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



VICTORY GROUP LIMITED

(Incorporated in Bermuda with limited liability)
(Stock code: 1139)

COMPLETION OF THE PLACING AGREEMENT AND THE LOAN CAPITALISATION AGREEMENT

The Company is pleased to announce that all the conditions under the Placing Agreement and the Loan Capitalisation Agreement were satisfied and the completion of the Placing and the Loan Capitalisation took place on 20 April 2004.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Reference is made to the document of the Company dated 9 March 2004 (the "Document") in relation to, among other things, the Placing, the Loan Capitalisation and the Whitewash Waiver. Capitalised terms used herein shall have the same meanings as those defined in the Document.

COMPLETION OF THE PLACING AGREEMENT AND THE LOAN CAPITALISATION AGREEMENT

The Company is pleased to announce that all the conditions under the Placing Agreement and the Loan Capitalisation Agreement were satisfied and the completion of the Placing and the Loan Capitalisation took place on 20 April 2004.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structures of the Company are as follows:

	At present	Immediately after completion of Placing and Loan Capitalisation		
	Number of Shares	Approximate Percentage	Number of Shares	Approximate Percentage
EVEI (Note 1)	110,377,586	29.05%	110,377,586	10.27%
Winsley (Note 2)	—	—	430,000,000	40.00%
Subtotal (Note 3)	110,377,586	29.05%	540,377,586	50.27%
Forex	—	—	265,100,000	24.66%
Public	269,534,014	70.95%	269,534,014	25.07%
Total	379,911,600	100%	1,075,011,600	100%

Note 1 – the Shares are held as trustee of a unit trust, the units of which are held by a discretionary trust established for the family members of Mr. Chan Chun Choi. EVEI is wholly and beneficially owned by Mr. Chan Chun Choi

Note 2 – Winsley is jointly controlled by Mr. Chan Chun Choi and Ms. Lam Mo Kuen, Anna, both of them being executive Directors

Note 3 – this represents the entire shareholdings of Winsley and parties acting in concert with it in the Company

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

As at the date of this announcement, the Board comprises of Mr. Chan Chun Choi, Ms. Lam Mo Kuen, Anna and Ms. Lu Su Hua, all of whom are executive Directors, Mr. Liu Kwok Fai Alvan, who is non-executive Director, Mr. Ng Chi Shing and Mr. Yuen Kwok Wah, Bernard, both of whom are independent non-executive Directors.

By Order of the Board of
VICTORY GROUP LIMITED
Chan Chun Choi
Chairman

Hong Kong, 20 April 2004

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, the 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.

Please also refer to the published version of this announcement in The Standard.