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## **VICTORY GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 1139)**

### **ANNOUNCEMENT**

- (1) RESULT OF THE OPEN OFFER;  
(2) COMPLETION OF VERY SUBSTANTIAL ACQUISITION; AND  
(3) FULFILMENT OF RESUMPTION CONDITIONS**

**Financial Advisor to the Company**

**AmCap**

***Ample Capital Limited***

***豐盛融資有限公司***

**Underwriter of the Open Offer**

**Mr. Chan Chun Choi**

The Board is pleased to announce that as at 4:00 p.m. on Friday, 1 June 2012, being the latest time for acceptance of and payment for the Offer Shares, a total of 11 valid acceptances in respect of 290,346,685 Offer Shares were received, representing approximately 34.1% of the total number of 851,406,380 Offer Shares available for subscription under the Open Offer

As the Offer Shares were not fully subscribed for, the unsubscribed 561,059,695 Offer Shares, representing approximately 65.9% of the total number of 851,406,380 Offer Shares available for subscription under the Open Offer, have been taken up by the Underwriter in accordance with the terms of the Underwriting Agreement. As a result, the Underwriter's shareholding increased from 2,120,887 Shares, representing approximately 27.4% of the issued share capital of the Company immediately before completion of the Open Offer, to 796,478,152 Shares, representing approximately 92.7% of the issued share capital of the Company immediately after completion of the Open Offer.

The Company has procured One China Securities Limited (一中證券有限公司) to

stand in the market to provide matching services for the odd lots of the Shares on a best effort basis, during the period from 11 June 2012 to 20 July 2012 (both days inclusive).

As set out in the Prospectus, the Underwriter has irrevocably undertaken to the Company that if the underwriting arrangement in respect of the Open Offer results in less than 25% of the total issued share capital for the Company held by the public Shareholders, he will place down his shareholding interest in the Company to Independent Third Parties in order to comply with the public float requirement under the Listing Rules by Friday, 8 June 2012. Further announcement will be made in relation to the Placing Down Arrangement by the Company as and when necessary.

The Board is also pleased to announce that the completion of the Acquisition took place on 5 June 2012.

As at 5 June 2012, all the Resumption Conditions have been fully satisfied and complied with.

**Trading in the Shares on the Stock Exchange was suspended since 27 September 2006. As at 5 June 2012, the Resumption Conditions have been fulfilled. However, the Resumption is still subject to the implementation of the Placing Down Arrangement. Accordingly, the publication of this announcement does not necessarily mean that the Resumption will indeed take place. The Company will make further announcement in relation to the Placing Down Arrangement and the Resumption as and when necessary.**

**Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares, and if they are in any doubt about their positions, they should consult their professional advisors.**

References are made to the prospectus of the Company dated 18 May 2012 in respect of the Open Offer (the “**Prospectus**”). Capitalised terms used herein shall have the same meanings as those defined in the Prospectus unless the context requires otherwise.

## **RESULT OF THE OPEN OFFER**

The Board is pleased to announce that as at 4:00 p.m. on Friday, 1 June 2012, being the latest time for acceptance of and payment for the Offer Shares, a total of 11 valid acceptances in respect of 290,346,685 Offer Shares were received, representing approximately 34.1% of the total number of 851,406,380 Offer Shares available for subscription under the Open Offer

With regard to the 11 valid applications for Offer Shares for a total of 290,346,685 Offer Shares under the Application Forms, the Company would allot and issue the Offer Shares to the relevant Shareholders as applied in accordance with the terms of the Open Offer.

In accordance with the undertaking provided by the Underwriter as described in the Prospectus, the Underwriter have in aggregate subscribed 233,297,570 Offer Shares under the Open Offer in respect of the 2,120,887 Shares held by him as at the Record Date.

## UNDERWRITING AGREEMENT

As the Offer Shares were not fully subscribed for, the unsubscribed 561,059,695 Offer Shares, representing approximately 65.9% of the total number of 851,406,380 Offer Shares available for subscription under the Open Offer, have been taken up by the Underwriter in accordance with the terms of the Underwriting Agreement. As a result, the Underwriter's shareholding increased from 2,120,887 Shares, representing approximately 27.4% of the issued share capital of the Company immediately before completion of the Open Offer, to 796,478,152 Shares, representing approximately 92.7% of the issued share capital of the Company immediately after completion of the Open Offer.

## CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and after completion of the Open Offer is as follows:

	Immediately before completion of the Open Offer		Immediately after completion of the Open Offer	
	Shares	%	Shares	%
Mr. Chan and parties acting in concert with him	2,120,887	27.4	796,478,152	92.7
Other public Shareholders	5,619,171	72.6	62,668,286	7.3
Total	7,740,058	100.0	859,146,438	100.0

*Note: Pursuant to the public float requirements under Rule 8.08 of the Listing Rules, the public Shareholders must, at all times, hold at least 25% of the total issued share capital of the Company. Accordingly, the Underwriter has irrevocably undertaken to the Company that if the underwriting arrangement in respect of the Open Offer results in less than 25% of the total issued share capital of the Company held by the public Shareholders, he will place down his shareholding interest in the Company to Independent Third Parties in order to comply with the public float requirement under the Listing Rules after the completion of the Open Offer but before the resumption of trading in the Shares*

## PLACING DOWN ARRANGEMENT

As set out in the Prospectus, the Underwriter has irrevocably undertaken to the Company that if the underwriting arrangement in respect of the Open Offer results in less than 25% of the total issued share capital for the Company held by the public Shareholders, he will place down his shareholding interest in the Company to Independent Third Parties (the “**Placing Down Arrangement**”) in order to comply with the public float requirement under the Listing Rules by Friday, 8 June 2012. Further announcement will be made in relation to the Placing Down Arrangement by the Company as and when necessary.

## CERTIFICATES FOR THE OFFER SHARES

Share certificates for the Offer Shares are expected to be despatched on or before Wednesday, 6 June 2012 by ordinary post to those Qualifying Shareholders who have accepted and paid for their Offer Shares at their own risk.

## **ARRANGEMENT FOR MATCHING SERVICE FOR ODD LOTS**

In order to alleviate the difficulties arising from the existence of odd lots of the Shares as a result of the Capital Reorganisation and change in board lot size, the Company has procured One China Securities Limited (一中證券有限公司) to stand in the market to provide matching services for the odd lots of the Shares on a best effort basis, during the period from 11 June 2012 to 20 July 2012 (both days inclusive). Holders of the Shares in odd lots (i.e. board lots which are not in integral multiples of 16,000 Shares) who wish to take advantage of this matching facility either to dispose of their odd lots of Shares or to top up to board lots of 16,000 Shares, please contact Mr. Marco Ko (高志鈞) of One China Securities Limited at 2/F., Cheong K. Building, 86 Des Voeux Road Central, Central, Hong Kong at telephone number 3106-3522 during office hours.

Holders of Shares in odd lots should note that successful matching of the sale and purchase of odd lots of Shares is not guaranteed. Shareholders are advised to consult their professional advisors if they are in doubt about the above arrangement.

## **EXPECTED TIMETABLE FOR THE RESUMPTION AND SHARE TRADING ARRANGEMENT**

Set out below is the expected timetable for the share trading arrangement in the Shares and the resumption of trading in the Shares of the Company.

2012

(Hong Kong time)

Despatch of certificates for the

Offer Shares and refund cheques .....Wednesday, 6 June

Last day for free exchange of share certificates.....Friday, 8 June

Last day for the Underwriter to implement

the Placing Down Arrangement .....Friday, 8 June

Effective date of change in board lot size..... at 9:00 a.m. on Monday, 11 June

Resumption of trading of the Shares..... at 9.00 a.m. on Monday, 11 June

Designated broker starts to stand in the market

to provide matching service for odd lots trading..... at 9:00 a.m. on Monday, 11 June

Designated broker ceases to stand in the market

to provide matching service for odd lots trading..... on Friday, 20 July

## THE WHITEWASH WAIVER

The Executive has granted the Whitewash Waiver to the Underwriter. Accordingly, no mandatory general offers under the Takeovers Code will be required to be made by the Underwriter for all the securities of the Company not already owned or agreed to be acquired by the Underwriter and parties acting in concert with it as a result of fulfilling the Underwriter's obligations under the Underwriting Agreement.

## COMPLETION OF VERY SUBSTANTIAL ACQUISITION

As set out in the Company's announcement dated 23 November 2011 and the circular dated 16 April 2012 (the "**Circular**"), the Company as the purchaser, Long Triumph Holdings Limited as the vendor and Ms. Leung Oi Lan Kit as the guarantor have entered into the sale and purchase agreement (the "**Agreement**") dated 1 June 2010 (as subsequently amended) in respect of the Acquisition. The Board is pleased to announce that all the conditions precedent under the Agreement have been fulfilled, and completion of the Acquisition took place on 5 June 2012. Jumbo Chance Holdings Limited (together with its subsidiaries) have become an indirect wholly-owned subsidiary of the Company upon completion of the Acquisition.

## FULFILMENT OF THE RESUMPTION CONDITIONS

After considering the third resumption proposal dated 24 October 2011 (the "**Third Resumption Proposal**") submitted by the Company, the Company was informed by the Stock Exchange that trading in the Shares would be resumed (the "**Resumption**") if the Company fulfilled the resumption conditions (the "**Resumption Conditions**") by 14 January 2012 which was subsequently extended to 5 June 2012. Set out below are the Resumption Conditions:

- (a) completion of the Acquisition, the Open Offer and all transactions under the Third Resumption Proposal;
- (b) inclusion in the circular to shareholders the following:
  - i. the accountants' report of the Target Group which should be substantially in line with the unaudited financial information presented in the Third Resumption Proposal;
  - ii. a profit forecast of the Enlarged Group for the year ending 31 December 2012 together with reports from the auditors and the financial adviser under paragraph 29(2) of Appendix 1B of the Listing Rules; and
  - iii. a pro forma balance sheet upon completion of the Acquisition and the fund raising exercise a comfort letter from the auditors under Rule 4.29 of the Listing Rules.

The Company is pleased to announce that as at 5 June 2012, all the Resumption Conditions have been fulfilled and complied with. Set out below are details of the fulfillment of all the Resumption Conditions:

- (a) as set out in this announcement, completion of the Acquisition took place on 5 June 2012 and the Open Offer became unconditional at 4:00 p.m. on 30 May 2012; and

(b) the Circular which included the aforementioned documents was despatched to the Qualifying Shareholders on 16 April 2012.

## **GENERAL**

Upon the occurrence of an event that would have a material impact on the profit forecast contained in the Circular, the Company will issue a further announcement if and when necessary.

The Company and the Directors does not have any agreement, negotiation, plan and/or intention to carry out a principal business other than the existing business of the Company (including (i) LED screen and lights; and (ii) motor vehicles) within 24 months after the Resumption.

Mr. Chan and his associates have no intention or plan to dispose of its controlling interest in the Company within 24 months after the Resumption and all Directors will remain with the Board immediately after the Resumption.

As at the date of this announcement, the Company did not have any securities that are convertible into Shares.

## **SUSPENSION OF TRADING IN THE SHARES OF THE COMPANY**

**Trading in the Shares on the Stock Exchange was suspended since 27 September 2006. As at 5 June 2012, the Resumption Conditions have been fulfilled. However, the Resumption is still subject to the implementation of the Placing Down Arrangement. Accordingly, the publication of this announcement does not necessarily mean that the Resumption will indeed take place. The Company will make further announcement in relation to the Placing Down Arrangement and the Resumption as and when necessary.**

**Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares, and if they are in any doubt about their positions, they should consult their professional advisors.**

**By order of the Board  
Victory Group Limited  
Chan Chun Choi**

*Chairman and Managing Director*

Hong Kong, 5 June 2012

*As at the date of this announcement, the Board comprises Mr. Chan Chun Choi and Ms. Lo So Wa Lucy (formerly known as Ms. Lu Su Hua) as executive directors; Mr. Cheung Man Fu, Mr. Ip Ka Keung and Dr. Lam King Hang, as independent non-executive directors.*

*The Directors 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.*