

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** about this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold** all your shares in Victory Group Limited, you should at once hand this circular to the purchaser or the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



## **VICTORY GROUP LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1139)**

**PROPOSALS FOR  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE NEW SHARES  
RE-ELECTION OF RETIRING DIRECTORS  
ADOPTION OF SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

---

A notice convening the annual general meeting of VICTORY GROUP LIMITED to be held at Fountains Room 1-2, LG/F, Hotel Nikko Hong Kong, 72 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Monday, 26 May 2014 at 4:00 p.m., is set out in this circular on page 24 to page 27. Whether or not you propose to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting should they so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

11 April 2014

---

## CONTENTS

---

	<i>Page</i>
<b>Definitions . . . . .</b>	<b>1</b>
<b>Letter from the Board . . . . .</b>	<b>3</b>
<b>Appendix I – Explanatory Statement on Repurchase Mandate . . . . .</b>	<b>8</b>
<b>Appendix II – Retiring Director Proposed for Re-election . . . . .</b>	<b>11</b>
<b>Appendix III – Principal Terms of Share Option Scheme . . . . .</b>	<b>13</b>
<b>Notice of Annual General Meeting . . . . .</b>	<b>24</b>

---

## DEFINITIONS

---

*In this circular, the following expressions have the following meanings unless the context requires otherwise:*

“AGM”	the annual general meeting of the Company to be held at Fountains Room 1-2, LG/F, Hotel Nikko Hong Kong, 72 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Monday, 26 May 2014 at 4:00 p.m., notice of which is set out in this circular
“Board”	the board of Directors
“Bye-laws”	the existing bye-laws of the Company
“Company”	Victory Group Limited, a company incorporated under the laws of Bermuda with limited liability and its shares are listed on the Stock Exchange
“Director(s)”	the director(s), including independent non-executive director(s), of the Company
“Expired Share Option Scheme”	the expired share option scheme adopted by the Company on 22 January 1998 and expired on 21 January 2008
“Latest Practicable Date”	6 April 2014, being the latest practicable date prior to the printing of this circular
“LED”	light-emitting diode
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Chan”	Mr. Chan Chun Choi, an executive Director
“Repurchase Mandate”	the general mandate to exercise the powers of the Company to repurchase during the period as set out in the Repurchase Resolution Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the Repurchase Resolution
“Repurchase Proposal”	the proposal to grant the Repurchase Mandate to the Directors
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution 5 of the notice of the annual general meeting

---

## DEFINITIONS

---

“Share(s)”	share(s) of HK\$0.001 each in the share capital of the Company
“Share Issue Mandate”	the general mandate to exercise the powers of the Company to allot and issue during the period as set out in the Share Issue Resolution Shares up to a maximum of 20% of the issued share capital of the Company as at the date of passing of the Share Issue Resolution
“Share Issue Proposal”	the proposal to grant the Share Issue Mandate to the Directors
“Share Issue Resolution”	the proposed ordinary resolution as referred to in resolution 4 of the notice of the annual general meeting
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme proposed to be adopted by the Company at the AGM, a summary of the principal terms of which is set out in the Appendix to this circular
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars
“%” or “per cent”	percentage or per centum

---

## LETTER FROM THE BOARD

---



# VICTORY GROUP LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1139)**

*Executive Directors:*

Chan Chun Choi

Chan Kingsley Chiu Yin

Lo So Wa Lucy (formerly known as Lu Su Hua)

*Registered Office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Independent Non-Executive Directors:*

Ip Ka Keung

Lam King Hang

Cheung Man Fu

*Principal Place of Business:*

Suite 1609, New East Ocean Centre

9 Science Museum Road

Tsimshatsui East, Kowloon

Hong Kong

11 April 2014

*To Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE NEW SHARES  
RE-ELECTION OF RETIRING DIRECTORS  
ADOPTION OF SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

### INTRODUCTION

The purpose of this circular is to provide the Shareholders with information relating to the ordinary resolutions to be proposed at the forthcoming AGM to re-election of retiring Directors, to grant to the Directors the general mandates to issue new Shares and repurchase of Shares up to a maximum of 20% and 10% respectively of the issued share capital of the Company as at the date of the passing of the relevant ordinary resolution and to increase the number of Shares which the Directors may issue under their general mandate by the number of Shares repurchased and the adoption of share option scheme by the Company.

---

## LETTER FROM THE BOARD

---

### GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 7 June 2013, a general mandate was given by the Company to the Directors to exercise the powers of the Company to allot and issue Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution and such general mandate was extended by adding to it the aggregate nominal amount of any Shares repurchased by the Company under the authority to repurchase Shares granted on that date. Such mandate will lapse at the conclusion of the forthcoming AGM. It is therefore proposed to seek your approval of an ordinary resolution to be proposed at the forthcoming AGM to give a fresh general mandate to the Directors to exercise the powers of the Company to repurchase Shares.

As at the Latest Practicable Date, the issued share capital of the Company comprised 859,146,438 Shares. Subject to the passing of the relevant ordinary resolution and on the basis that no Shares are issued and repurchased, the Directors would be allowed to issue new Shares up to a maximum of 171,829,287 Shares. Subject to the passing of the resolution for issuing new Shares on AGM, the Directors would be authorized to issue up to 171,829,287 new Shares during the period up to the next annual general meeting in year 2015 or the expiration of the period within which the next annual general meeting of the Company is required by law or the Bye-laws to be held or the revocation or variation of the authority given under the Share Issue Resolution by an ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

### GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 7 June 2013, a general mandate was given by the Company to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the forthcoming AGM. It is therefore proposed to seek your approval of an ordinary resolution to be proposed at the forthcoming AGM to give a fresh general mandate to the Directors to exercise the powers of the Company to repurchase Shares.

An explanatory statement as required under the Listing Rules, giving certain information regarding the Repurchase Mandate is set out in Appendix I to this circular.

### RE-ELECTION OF RETIRING DIRECTOR

In accordance with clause 87(1) of the Company's bye-laws, Mr. Ip Ka Keung and Dr. Lam King Hang, shall retire from offices at the AGM and shall be eligible and offer themselves for re-election. Details of the aforesaid retiring Director proposed for re-election at the AGM are set out in the Appendix II of this circular.

---

## LETTER FROM THE BOARD

---

### ADOPTION OF SHARE OPTION SCHEME

The Directors propose to adopt the Share Option Scheme which will be put to the Shareholders for approval at the AGM. The Expired Share Option Scheme was adopted on 22 January 1998 and expired on 21 January 2008. There are no outstanding options under the Expired Share Option Scheme.

The adoption of the Share Option Scheme is subject to:

- (a) the approval of the Shareholders at the AGM;
- (b) the Stock Exchange granting approval of the listing of and permission to deal in the Shares to be allotted and issued upon the exercise of options to be granted under the Share Option Scheme; and
- (c) If required, the permission of the Bermuda Monetary Authority for the allotment and issue of the Shares to be allotted and issued upon the exercise of options to be granted under the Share Option Scheme being obtained.

As at the Latest Practicable Date, there was no Options which remain outstanding and unexercised.

As at the Latest Practicable Date, there were 859,146,438 Shares in issue. Assuming there are no further allotment and issue of Shares from the Latest Practicable Date up to the date of approval of the Share Option Scheme, Options to subscribe for up to 85,914,643 Shares may be issued under the Share Option Scheme and any other schemes of the Company pursuant to Rule 17.03(3) of the Listing Rules, representing 10% of the Shares in issue as at the date of approval of the Share Option Scheme.

The Directors consider that it is not appropriate to state the value of all Options that can be granted pursuant to the Share Option Scheme as if they had been granted at the Latest Practicable Date. The Directors believe that any statement regarding the value of the options as at the Latest Practicable Date will not be meaningful to the Shareholders, taking into account the number of variables which are crucial for the calculation of the option value which have not been determined. Such variables include the subscription price, exercise period, any lockup period and performance targets which the Directors may set under the Share Option Scheme and other relevant variables. In the premises, the Directors are of the view that the value of the options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical basis and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the Options will not be meaningful and may be misleading to the Shareholders in the circumstances. None of the Directors is or will be a trustee of the Share Option Scheme or have a direct or indirect interest in any such trustee.

---

## LETTER FROM THE BOARD

---

A summary of the principal terms of the Share Option Scheme is set out in Appendix III to this circular. This serves as a summary of the terms of the Share Option Scheme but does not constitute the full terms of the same. The full terms of the Share Option Scheme can be inspected at the principal place of business in Hong Kong of the Company at Suite 1609, New East Ocean Centre, 9 Science Museum Road, Tsimshatsui East, Kowloon, Hong Kong from the date of this circular up to and including the date of AGM and at the AGM.

### **Application of listing**

Application will be made to the Stock Exchange for the grant of listing of the permission to deal in the Shares to be allotted and issued upon the exercise of options to be granted under the Share Option Scheme representing up to 10% of the issued share capital of the Company as at the date of AGM.

### **Reasons for adopting the share option scheme**

The Directors believe that attracting and motivating high quality personnel is a key to the success and growth of the Company. The Directors also believe that the Share Option Scheme will continue to provide participants with the opportunity of participating in the growth of the Company by acquiring shares in the Company and may, in turn, assist in the attraction and retention of talents who have made contributions to the success of the Company. The purpose of the Share Option Scheme is to provide incentive to participants to contribute further to the Company. The Board believes that the authority given to the Board under the Share Option Scheme to specify any minimum holdings period and/or performance targets as conditions in any Option granted and the requirement for a minimum subscription price as well as the authority to select the appropriate participants as prescribed by the rules of the Share Option Scheme will serve to protect the value of the Company as well as to achieve these purposes of retaining and motivating high quality personnel to contribute to the Company. Given that the Expired Share Option Scheme expired on 21 January 2008, the Directors consider that it is in the interest of the Company to adopt the Share Option Scheme in compliance with Chapter 17 of the Listing Rules.

### **ANNUAL GENERAL MEETING**

The notice convening the AGM, which contains, inter alia, ordinary resolutions in respect of ordinary businesses of the re-election of Directors and the special business to approve the Repurchase Proposal and the Share Issue Proposal, the extension of the Share Issue Mandate and the adoption of the Share Option Scheme are set out on pages 24 to 27 of this circular. To the best knowledge of the Directors, no Shareholders have a material interest in the Share Option Scheme different to that of any other Shareholders and accordingly, no Shareholders will have to abstain from voting at the AGM.

A proxy form for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM in person, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East,

---

## LETTER FROM THE BOARD

---

Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all the resolutions proposed at the AGM shall be according with clause 66 of the Company's bye-laws voted by poll.

### **RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this circular misleading.

### **RECOMMENDATION**

The Directors consider that the ordinary resolution for approving the re-election of retiring Directors, the Repurchase Proposal, the Share Issue Proposal, the extension of the Share Issue Mandate and the adoption of the Share Option Scheme are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the ordinary resolution to be proposed at the AGM.

Yours faithfully,

**Chan Chun Choi**

*Chairman and Managing Director*

This serves as the explanatory statement, to provide Shareholders with requisite information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to the Repurchase Mandate.

### **Share Capital**

Whilst the Directors do not presently intend to repurchase any Shares, they believe that the flexibility afforded by the Repurchase Mandate if the Repurchase Resolution is passed would be beneficial to the Company.

It is proposed that up to 10% of the Shares in issue as at the date of the passing of the Repurchase Resolution may be repurchased. As at the Latest Practicable Date, the issued share capital of the Company comprised 859,146,438 Shares. Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased, the Directors would be authorised to repurchase up to 85,914,643 Shares during the period up to the next annual general meeting in year 2015 or the expiration of the period within which the next annual general meeting of the Company is required by law or the Bye-laws to be held or the revocation or variation of the authority given under the Repurchase Resolution by an ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

### **Reason for Repurchases**

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the value of the net assets and/or earnings and/or dividend per Share before the Shares are redeemed.

### **Funding of Repurchases**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the laws of Bermuda. Bermuda law provides that payment in connection with a share repurchase may only be paid out of either the capital paid up on the relevant Shares, or out of the funds of the Company otherwise available for dividend or distribution or the proceeds of a fresh issue of Shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company before the Shares are purchased.

**Impact of Repurchases**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited financial statements as at 31 December 2013) in the event that the proposed Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the authority given under the Repurchase Resolution to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

**Effect of Takeovers Code**

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Resolution, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Chan was interested in 330,350,152 shares, representing approximately 38.45% of the entire issued share capital of the Company. Out of these Shares, (i) Mr. Chan personally holding 94,931,695 shares representing approximately 11.05% of the entire issued share capital of the Company; (ii) Eternal Victory Enterprises Inc. ("EVEI"), holding 32,843,457 Shares, representing approximately 3.82% of the entire issued share capital of the Company, is a company incorporated in British Virgin Islands, as trustee of a unit trust, the units of which are held by a discretionary trust established for the family members of Mr. Chan, who is an executive director of the Company. EVEI is wholly and beneficially owned by Mr. Chan; (iii) Winsley Investment Limited ("Winsley"), holding 202,575,000 Shares, representing approximately 23.58% of the entire issued share capital of the Company, is a company incorporated in Hong Kong and is jointly controlled by Mr. Chan approximately 98%, Mr. Chan's wife, Ms. Lo So Wa Lucy (formerly known as Lu Su Hua) approximately 1%, and Mr. Chan Kingsley Chiu Yin approximately 1%, who is the son of Mr. Chan.

In the event that the Company exercised the Repurchase Mandate in full, the shareholding of Mr. Chan, with his interest in EVEI and Winsley, in the Company will increase to approximately 42.72%. In the opinion of the Directors, such increase of shareholding shall give rise to an obligation for Mr. Chan to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors will be cautioned in exercising the Repurchase Mandate and have no intention to exercise the Repurchase Mandate to such extent which would result in Mr. Chan and parties acting in concert with him becoming obliged to make a mandatory offer. Furthermore, the Company may not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

**Securities Repurchases**

There have been no repurchase of Shares by the Company (whether on the Stock Exchange or otherwise) during the previous six months preceding the Latest Practicable Date.

**Market Prices of Shares**

The highest and lowest prices of the Shares traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2013</b>		
April	0.300	0.235
May	0.520	0.230
June	0.375	0.235
July	0.320	0.240
August	0.275	0.246
September	0.320	0.260
October	0.295	0.250
November	0.375	0.250
December	0.310	0.250
<b>2014</b>		
January	0.290	0.242
February	0.285	0.229
March	0.260	0.238
April (up to 4th)	0.260	0.235

**General**

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases of its Shares pursuant to the Repurchase Resolution in accordance with the Listing Rules and all applicable laws of Bermuda, and in accordance with the regulations set out in the Bye-laws.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates (as defined in the Listing Rules) has any present intention, in the event that the Repurchase Proposal is approved by Shareholders, to sell Shares to the Company or its subsidiaries.

No connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so in the event that the Repurchase Proposal is approved by Shareholders.

*The following are the particulars of the retiring Director eligible for re-election at the AGM:*

**Mr. Ip Ka Keung**

Aged 45, has been working in the fund industry for a number of years. Having qualified with a big four accountancy firm in London in the nineties and worked for their Hong Kong office specializing in audit, due diligence and initial public offering work for listed, multi-national and clients from China. Mr. Ip joined the legal division of a major Hong Kong Blue Chip company and managed their Regulatory Affairs function thereafter. Mr. Ip was also the Chief Financial Officer and the Head of Compliance of a Securities and Future Commission licensed Hong Kong asset management company as well as an associate director of a transaction services department of an international accountancy firm. Mr. Ip holds an honors bachelor degree in Accounting and Finance and a LLB honors degree from the London University. Mr. Ip is a Certified Public Accountant, a Fellow member of Chartered Certified Accountant and a member of Hong Kong and U.S. Society of Financial Analyst. He is also currently a member of the Hong Kong Institute of Directors. Mr. Ip was appointed an independent non-executive director of the Company on 18 January 2010.

Mr. Ip has entered into a service contract with the Company and the Board agreed that the remuneration of Mr. Ip is HK\$100,000 per annum for a term of two years and will be subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the bye-laws of the Company. The emoluments shall be deemed to accrue on a day to day basis and payable semi-annually in arrears or in the manner as mutually agree between the Board and Mr. Ip.

Save as disclosed above, Mr. Ip:

- (a) does not hold any other position with the Company or its subsidiaries;
- (b) did not hold any directorships in other listed public company in the last three years;
- (c) as at the date of this circular, is not interested in and does not hold any short position in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Future Ordinance;
- (d) save as disclosed herein, there is no information to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules relating to his appointment as an independent non-executive director of the Company; and
- (e) is not connected with any directors, senior management or substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

**Dr. Lam King Hang**

Aged 43, received his bachelor degree in Electrical Energy Systems Engineering from the University of Hong Kong in 1994. He worked in the Building Services industry after graduation and returned to the Alma Mater for joining the HKU Photovoltaic research team in 1998. His research focus is on Photovoltaic applications in Hong Kong. In 2007, he received his PhD in Architecture at The University of Hong Kong and is now working as a Senior Manager in a Solar Energy company. In 2009, he was appointed as Honorary Lecturer for teaching the MSc course at the University of Hong Kong. Dr. Lam was appointed an independent non-executive director of the Company on 1 June 2010.

Dr. Lam has entered into a service contract with the Company and the Board agreed that the remuneration of Dr. Lam is HK\$100,000 per annum for a term of two year and will be subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the bye-laws of the Company. The emoluments shall be deemed to accrue on a day to day basis. Payable semi-annually in arrears or in the manner as mutually agreed between the Board and Dr. Lam.

Save as disclosed above, Dr. Lam:

- (a) does not hold any other position with the Company or its subsidiaries;
- (b) did not hold any directorships in other listed public company in the last three years;
- (c) as at the date of this circular, is not interested in and does not hold any short position in any shares or underlying shares in or any debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Future Ordinance;
- (d) save as disclosed herein, there is no information to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules relating to his appointment as an independent non-executive director of the Company; and
- (e) is not connected with any directors, senior management or substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company.

The following is a summary of the principal terms of the Share Option Scheme proposed to be approved at the AGM.

**1. PURPOSE OF THE SHARE OPTION SCHEME**

- (a) The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that Eligible Persons (as defined below) had made or may make to the Group.
- (b) The Share Option Scheme will provide the Eligible Persons with an opportunity to have a personal stake in the Company with the view to achieving the following objectives:
  - (i) motivate the Eligible Persons to optimise their performance and efficiency for the benefit of the Group; and
  - (ii) attract and retain or otherwise maintain ongoing business relationship with the Eligible Persons whose contributions are or will be beneficial to the long term growth of the Group.
- (c) For the purpose of the Share Option Scheme, “Eligible Person” means any person who satisfies the eligibility criteria in paragraph 2 below.

**2. WHO MAY JOIN AND BASIS FOR DETERMINING ELIGIBILITY**

- (a) The Board may at its discretion grant options to: (i) any director, employee, consultant, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company (“Affiliate”); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.
- (b) In order for a person to satisfy the Board that he/she/it is qualified to be (or, where applicable, continues to qualify to be) an Eligible Person, such person shall provide all such information as the Board may request for the purpose of assessing his/her/its eligibility (or continuing eligibility).
- (c) Each grant of options to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved in accordance with the requirements of the Listing Rules.
- (d) Should the Board resolve that a grantee fails/has failed or otherwise is/has been unable to meet the continuing eligibility criteria under the Share Option Scheme, the Company would be entitled to deem any outstanding option or part thereof, granted to such grantee and to the extent not already exercised, as lapsed.

**3. GRANT OF OPTIONS**

- (a) On and subject to the terms of the Share Option Scheme, the Board shall be entitled at any time on a Business Day within 10 years commencing on the effective date of the Share Option Scheme to offer the grant of an option to any Eligible Person as the Board may in its absolute discretion select in accordance with the eligibility criteria set out in the Share Option Scheme. An offer shall be deemed accepted when the Company receives, within 14 days from the date of offer, the letter containing the offer of the grant of an option duly signed by the grantee together with a nonrefundable payment of HK\$1 (or such other sum in any currency as the Board may determine).
- (b) Subject to the provisions of the Share Option Scheme, the Listing Rules and other applicable rules and regulations, the Board may, on a case by case basis and at its discretion when offering the grant of an option, impose any conditions, restrictions or limitations in relation thereto additional to those expressly set forth in the Share Option Scheme as it may think fit (which shall be stated in the letter containing the offer of the grant of the option) including (without prejudice to the generality of the foregoing):
  - (i) the continuing eligibility of the grantee under the Share Option Scheme, and in particular, where the Board resolves that the grantee fails/has failed or otherwise is or has been unable to meet the continuing eligibility criteria, any outstanding option (to the extent not already exercised) shall lapse;
  - (ii) the continuing compliance of any such terms and conditions that may be attached to the grant of the option, failing which the option (to the extent not already exercised) will lapse unless otherwise resolved to the contrary by the Board;
  - (iii) in the event that the Eligible Person is a corporation, that any material change of the management and/or shareholding of the Eligible Person shall constitute a failure to meet the continuing eligibility criteria under the Share Option Scheme;
  - (iv) in the event that the Eligible Person is a trust, that any material change of the beneficiary of the Eligible Person shall constitute a failure to meet the continuing eligibility criteria under the Share Option Scheme;
  - (v) in the event that the Eligible Person is a discretionary trust, that any material change of the discretionary objects of the Eligible Person shall constitute a failure to meet the continuing eligibility criteria under the Share Option Scheme;
  - (vi) conditions, restrictions or limitations relating to the achievement of operating or financial targets; and
  - (vii) if applicable, the satisfactory performance of certain obligations by the grantee.

- (c) The Board shall not offer the grant of an option to any Eligible Person:
- (i) after inside information has come to its knowledge and until it has announced the information; or
  - (ii) during the period commencing one month immediately before the earlier of:
    - (1) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarter-year or any other interim period (whether or not required under the Listing Rules); and
    - (2) the deadline for the Company to announce its results for any year, half-year under the Listing Rules or any other interim period (whether or not required under the Listing Rules)

and ending on the date of the results announcement. No option may be granted during any period of delay in the publishing a results announcement.

- (d) Any grant of options to a Director, chief executive, management shareholder or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive Directors (but excluding, for all purposes, any independent non-executive Director who is a proposed grantee). Where any grant of options to a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates would result in the total number of the Shares issued and to be issued upon exercise of the options granted and to be granted (including options exercised, cancelled and outstanding) to such person in any 12-month period up to and including the date of the grant:
- (i) representing in aggregate over 0.1% of the Shares in issue; and
  - (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million,

such further grant of options must be approved by the Shareholders. The Company must send a circular to its shareholders. All connected persons of the Company must abstain from voting in favour at such general meeting.

**4. EXERCISE PRICE OF SHARES**

The exercise price for any Share under the Share Option Scheme will be a price determined by the Board and notified to each grantee and will be not less than the highest of (i) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a Business Day; (ii) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of grant of the relevant option; and (iii) the nominal value of a Share. The exercise price shall also be subject to any adjustments made in a situation contemplated under paragraph 10.

**5. MAXIMUM NUMBER OF SHARES**

- (a) The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes must not, in aggregate, exceed 30% of the Shares in issue from time to time. No options may be granted under any scheme of the Company (including the Share Option Scheme) if this will result in the said 30% limit being exceeded.
- (b) The total number of Shares available for issue under options which may be granted under the Share Option Scheme and any other share option schemes must not, in aggregate, exceed 10% of the issued share capital of the Company as at the date of AGM, being 85,914,643 Shares, (the "Scheme Mandate Limit") unless shareholders' approval has been obtained pursuant to sub-paragraph (d) below.
- (c) The Scheme Mandate Limit may be refreshed by shareholders of the Company in general meeting from time to time provided that the Scheme Mandate Limit so refreshed must not exceed 10% of the issued share capital of the Company at the date of the approval of the refreshment by the shareholders of the Company. Upon any such refreshment, all options granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or any other share option scheme of the Company and exercised options) prior to the approval of such refreshment shall not be counted for the purpose of calculating whether the refreshed Scheme Mandate Limit has been exceeded. A circular must also be sent to the shareholders of the Company containing such information from time to time required by the Stock Exchange.
- (d) The Board may seek separate shareholders' approval in general meeting to grant options beyond the Scheme Mandate Limit provided that the options in excess of the Scheme Mandate Limit are granted only to the Eligible Persons specified by the Company before such approval is sought and the Company must issue a circular to the shareholders of the Company containing such information from time to time required by the Stock Exchange in relation to any such proposed grant to such Eligible Persons.

- (e) No option may be granted to any Eligible Person which, if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of the share options already granted or to be granted to such Eligible Person under the Share Option Scheme (including exercised, cancelled and outstanding share options) in the 12-month period up to and including the date of such new grant exceeding 1% of the issued share capital of the Company as at the date of such new grant. Any grant of further share options above this limit shall be subject to certain requirements provided under rule 17.03(4) of the Listing Rules pursuant to which such further grant must be separately approved by shareholders of the Company in general meeting with such participant and his associates abstaining from voting. The Company must send a circular to the shareholders and the circular must disclose the identity of the participant, the number and terms of the options to be granted (and options previously granted to such participant), the information required under rule 17.02(2)(d) of the Listing Rules and the disclaimer required under rule 17.02(4) of the Listing Rules. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before shareholders' approval and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note 1 to rule 17.03(9) of the Listing Rules.
- (f) The maximum number of Shares referred to in sub-paragraph (a) shall be adjusted, in such manner as the auditors of the Company or the independent financial adviser of the Company shall confirm in writing that the adjustments satisfy the requirements set forth in paragraph 10.

## **6. TIME OF EXERCISE OF OPTION**

- (a) Subject to certain restrictions contained in the Share Option Scheme, an option may be exercised in accordance with the terms of the Share Option Scheme and the terms of grant thereof at any time during the applicable option period, which is not more than 10 years from the date of grant of option.
- (b) There is no general requirement on the minimum period for which an option must be held or the performance targets which must be achieved before an option can be exercised under the terms of the Share Option Scheme. However, at the time of granting any option, the Board may, on a case by case basis, make such grant subject to such conditions, restrictions or limitations including (without limitation) those in relation to the minimum period of the options to be held and/or the performance targets to be achieved as the Board may determine in its absolute discretion.

## **7. RIGHTS ARE PERSONAL TO GRANTEE**

An option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any option, failing which the option (to the extent it has not already been exercised) shall lapse. Until exercised, holder of options shall have no voting rights or rights to dividends by virtue of their holding of options only.

**8. RIGHTS ON CEASING TO BE AN ELIGIBLE PERSON**

Where an option was granted subject to certain continuing conditions, restrictions or limitations on the grantee's eligibility and the Board resolves that the grantee has failed or otherwise is or has been unable to meet such continuing eligibility criteria, the option (to the extent it has not already been exercised) shall lapse.

**9. RIGHTS ON DEATH/CEASING EMPLOYMENT**

- (a) If the grantee (being an individual) dies before exercising the option in full, his or her legal personal representative(s) may exercise the option up to the grantee's entitlement (to the extent exercisable as at the date of his/her death and not exercised) within a period of 12 months following his/her death or such longer period as the Board may determine.
- (b) If the grantee who is an employee ceases to be an employee for any reason other than his/her death or the termination of his/her employment on one or more of the following grounds that:
  - (i) he/she has been guilty of serious misconduct; or
  - (ii) he/she becomes insolvent or is unable or has no reasonable prospects of being able to pay his/her debts within the meaning of the Bankruptcy Ordinance (Chapter 6 of the Laws of Hong Kong) or has made any arrangements or composition with his/her creditors generally; or
  - (iii) he/she has been convicted of any criminal offence involving his/her integrity or honesty, the grantee may exercise the option (to the extent exercisable as at the date of the relevant event and not exercised) within 30 days following the date of such cessation.
- (c) If the grantee is an employee, director, consultant, professional, agent, partner, advisor of or contractor to the Group or its Affiliate at the time of the grant of the relevant option(s) and his/her employment or service to the Company is terminated on the ground of disability, the grantee may exercise the option (to the extent exercisable as at the date on which such grantee ceases to be an employee, director, consultant, professional, agent, partner, advisor of or contractor to the Group or its Affiliate and not exercised) within 6 months following such cessation or such longer period as the Board may determine.
- (d) If the grantee is an employee at the time of the grant of the relevant option(s), in the event that such grantee shall cease to be an employee but becomes, or continues to be, a consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate, then the option (to the extent exercisable as at the date on which such grantee ceases to be an employee and not exercised) shall be exercised within 3 months following the date of such cessation or such longer period as the Board may determine.

- (e) If the grantee is an employee at the time of the grant of the relevant option(s), in the event that such grantee shall cease to be an employee but becomes, or continues to be, a director of the Group or an Affiliate, then the option(s) (to the extent exercisable as at the date on which such grantee ceases to be an employee and not exercised) granted prior to the date of his/her becoming a director of the Group or its Affiliate shall remain exercisable until its expiry in accordance with the provisions of the Share Option Scheme and the terms and conditions upon which such option(s) is granted unless the Board shall determine to the contrary.
- (f) If the grantee, who is a director, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate but not an employee, ceasing to be a director, consultant, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate (as the case may be) for any reason other than his death (in the case of a grantee being an individual) or disability (in the case of a grantee being a director or consultant of the Group or its Affiliate), the option (to the extent exercisable as at the date of such cessation and not exercised) shall be exercised within 30 days following the date of such cessation or such longer period as the Board may determine.

#### **10. EFFECTS OF ALTERATIONS TO CAPITAL**

In the event of any alteration in the capital structure of the Company while an option remains exercisable, and such event arises from a capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of capital of the Company, such corresponding alterations (if any) shall be made to the number or nominal amount of Shares which are the subject of unexercised options, the exercise price or the maximum number of Shares subject to the Share Option Scheme. Any adjustments required under this paragraph must give a grantee the same proportion of the equity capital as that to which that grantee was previously entitled and shall be made on the basis that the aggregate exercise price payable by a grantee on the full exercise of any option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, but no such adjustments may be made to the extent that Shares would be issued at less than nominal value and, unless with the prior approval of the Company's shareholders in general meeting, no such adjustments may be made to the advantage of the grantee. For the avoidance of doubt, the issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalization issue, the independent financial adviser of the Company or the auditors of the Company must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules and the supplementary guidance set out in the letter issued by the Stock Exchange dated 5 September 2005 and any further guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

**11. RIGHTS ON A TAKEOVER**

If a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional (within the meaning of the Takeovers Code), the grantee shall be entitled to exercise the option (to the extent exercisable as at the date on which the general offer becomes or is declared unconditional and not exercised) in full or in part at any time within one month after the date on which the offer becomes or is declared unconditional (within the meaning of the Takeovers Code).

**12. RIGHTS ON A SCHEME OF ARRANGEMENT**

In the event of a compromise or arrangement between the Company and its members or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company (other than any relocation schemes as contemplated in Rule 7.14(3) of the Listing Rules), the Company shall give notice thereof to all grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme of arrangement, and thereupon the grantee may, by notice in writing to the Company accompanied by the remittance for the total exercise price payable in respect of the exercise of the relevant option (such notice to be received by the Company not later than two Business Days (excluding any period(s) of closure of the Company's share registers) prior to the proposed meeting) exercise the option (to the extent exercisable as at the date of the notice to the grantee and not exercised) either in full or in part and the Company shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of the Company's share registers) immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise credited as fully paid and registered the grantee as holder thereof.

**13. RIGHTS ON A VOLUNTARY WINDING UP**

In the event notice is given by the Company to its shareholders to convene a shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall forthwith give notice thereof to the grantee and the grantee may, by notice in writing to the Company accompanied by the remittance for the total exercise price payable in respect of the exercise of the relevant option (such notice to be received by the Company not later than two Business Days (excluding any period(s) of closure of the Company's share registers) prior to the proposed meeting) exercise the option (to the extent exercisable as at the date of the notice to the grantee and not exercised) either in full or in part and the Company shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of the Company's share registers) immediately prior to the date of the proposed shareholders' meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise.

**14. RIGHTS ATTACHING TO SHARES UPON EXERCISE OF AN OPTION**

Shares issued and allotted upon the valid exercise of an option will rank *pari passu* in all respects with the other Shares of the same class in issue at the date of allotment.

**15. LAPSE OF OPTIONS**

An option (to the extent such option has not already been exercised) shall lapse and not be exercisable on the earliest of:

- (a) the expiry of the option period;
- (b) the expiry of the periods referred to in paragraph 9;
- (c) the date of commencement of the winding-up of the Company;
- (d) the date on which the proposed compromise or arrangement becomes effective in respect of the situation contemplated in paragraph 12;
- (e) the date of which the grantee who is an employee ceases to be an employee by reason of the termination of his/her employment on the grounds that he/she has been guilty of serious misconduct, or has become insolvent or is unable or has no reasonable prospects of being able to pay his debts within the meaning of the Bankruptcy Ordinance (Chapter 6 of the Laws of Hong Kong) or has made any arrangements or composition with his/her creditors generally, or has been convicted of any criminal offence involving his/her integrity or honesty;
- (f) the happening of any of the following events, unless otherwise waived by the Board:
  - (i) any liquidator, provisional liquidator, receiver or any person carrying out any similar function has been appointed anywhere in the world in respect of the whole or any part of the asset or undertaking of the grantee (being a corporation);
  - (ii) the grantee (being a corporation) has ceased or suspended payment of its debts, become unable to pay its debts (within a meaning of section 178 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance or any similar provisions under the Bermuda Companies Act) or otherwise become insolvent;
  - (iii) there is unsatisfied judgment, order or award outstanding against the grantee or the Company has reason to believe that the grantee is unable to pay or to have no reasonable prospect of being able to pay his/her/its debts;
  - (iv) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in sub-paragraphs (i), (ii) and (iii) above;
  - (v) a bankruptcy order has been made against the grantee or any Director of the grantee (being a corporation) in any jurisdiction; or

- (vi) a petition for bankruptcy has been presented against the grantee or any Director of the grantee (being a corporation) in any jurisdiction;
- (g) the date on which a situation as contemplated under paragraph 7 arises;
- (h) the date on which the grantee commits a breach of any terms or conditions attached to the grant of the option, unless otherwise resolved to the contrary by the Board; or
- (i) the date on which the Board resolves that the grantee has failed or otherwise is or has been unable to meet the continuing eligibility criteria as may be prescribed pursuant to paragraph 8.

#### **16. CANCELLATION OF OPTIONS GRANTED**

The Board shall have the absolute discretion to cancel any options granted at any time at the request of the grantee provided where an option is cancelled and a new option can only be proposed to be granted to the same grantee if there are available Shares in the authorised but unissued share capital of the Company comprising in un-granted options (excluding all the cancelled options) within the limits referred to in paragraph 5.

#### **17. PERIOD OF THE SHARE OPTION SCHEME**

Options may be granted to Eligible Persons under the Share Option Scheme during the period of 10 years commencing on the effective date of the Share Option Scheme.

#### **18. ALTERATION TO SHARE OPTION SCHEME AND TERMINATION**

- (a) The Share Option Scheme may be altered in any respect by a resolution of the Board except that the provisions of the Share Option Scheme relating to matters contained in Rule 17.03 of the Listing Rules shall not be altered to the advantage of grantees or prospective grantees except with the prior approval of the shareholders of the Company in general meeting. The amended terms of the scheme or the options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (b) Any alteration to the terms and conditions of the Share Option Scheme which is of a material nature, must be approved by the shareholders of the Company in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.
- (c) The Company by ordinary resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further options will be offered but the provisions of the Share Option Scheme shall remain in force in all other respects.
- (d) Options granted during the life of the Share Option Scheme and remain unexpired immediately prior to the termination of the operation of the Share Option Scheme shall continue to be exercisable in accordance with their terms of issue after the termination of the Share Option Scheme.

- (e) Any change to the authority of the directors or scheme administrators in relation to any alteration to the terms of the Share Option Scheme must be approved by shareholders of the Company in general meeting.

## **19. CONDITIONS OF THE SHARE OPTION SCHEME**

The Share Option Scheme is conditional upon (a) shareholders' approval; (b) the Listing Committee granting approval of the listing of and permission to deal in any Shares which may be allotted and issued pursuant to the exercise of options to be granted under the Share Option Scheme; and (c) the permission of the Bermuda Monetary Authority for the allotment and issue of the Shares to be allotted and issued upon the exercise of options to be granted under the Share Option Scheme being obtained.

## **20. ADMINISTRATION OF THE SHARE OPTION SCHEME**

The Share Option Scheme shall be administered by the Board whose decision (save otherwise provided in the Share Option Scheme) shall be final and binding on all parties.

As at the Latest Practicable Date, no options have been granted by the Company under the Share Option Scheme.

Application has been made to the Listing Committee for the listing of, and permission to deal in the Shares which may fall to be issued pursuant to the exercise of the options which may be granted under the Share Option Scheme.

## **21. DISPUTES**

Any dispute arising in connection with this Share Option Scheme (whether as to the number of Shares, the subject of an option, (where applicable) whether all or part of the option has been vested, the amount of the exercise price or otherwise) shall be referred to the decision of the Company's auditors for the time being or the independent financial adviser of the Company who shall act as experts and not as arbitrators and whose decision shall be final and binding on the grantee.

---

## NOTICE OF ANNUAL GENERAL MEETING

---



### VICTORY GROUP LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1139)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of Victory Group Limited (the “**Company**”) will be held at Fountains Room 1-2 LG/F, Hotel Nikko Hong Kong, 72 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Monday, 26 May 2014 at 4:00 p.m. to transact the following ordinary business:

1. to receive, consider and adopt the audited consolidated financial statements and reports of the directors (the “**Directors**”) and independent auditor of the Company for the year ended 31 December 2013;
2. to re-elect Mr. Ip Ka Keung and Dr. Lam King Hang Directors and to authorise the board of Directors to fix the Directors’ remuneration;
3. to re-appoint ZHONGLEI (HK) CPA Company Limited auditors and to authorise the board of Directors to fix their remuneration;
4. to consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT**

- (a) subject to paragraph 4(c) below, the exercise by the directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph 4(a) above shall be in addition to any other authorization given to the directors and shall authorise the directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted and issued, or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the directors pursuant to the approval in paragraph 4(a) above, otherwise than pursuant to a Rights Issue (as hereafter defined) or the exercise of options under the share option scheme of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution, and the authority granted pursuant to paragraph 4(a) shall be limited accordingly; and

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws of Hong Kong to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares on the register of members on a fixed record date in proportion to their holdings of such shares (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory applicable to the Company).”;

5. to consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT**

- (a) subject to paragraph 5(c) below, the exercise by the directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph 5(a) above shall be in addition to any other authorization given to the directors;
- (c) the aggregate nominal amount of share capital purchased or agreed conditionally or unconditionally to be purchased by the directors pursuant to the approval in paragraph 5(a) above during the Relevant Period shall be no more than 10 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution, and the authority granted pursuant to paragraph 5(a) shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws of Hong Kong to be held; or
  - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
6. to consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional on the passing of the ordinary resolutions numbered 4 and 5 as set out in the notice of the Meeting of which this resolution forms part, the aggregate nominal amount of the number of shares in the share capital of the Company that shall have been repurchased by the directors after the date of the passing of this resolution pursuant to and in accordance with the said ordinary resolution numbered 5 shall be added to the aggregate nominal amount of share capital that may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to the general mandate to allot and issue shares granted to the directors by the said ordinary resolution numbered 4 provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution.”

7. to consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon (i) if required, the permission of the Bermuda Monetary Authority for the allotment and issue of the Shares to be allotted and issued upon the exercise of options to be granted under the Share Option Scheme being obtained; and (ii) The Stock Exchange of Hong Kong Limited granting approval of the listing of and permission to deal in the shares falling to be allotted and issued pursuant to the exercise of any options to be granted under the Share Option Scheme referred to in the circular dispatched to the Shareholders on the same day as this Notice, the terms of which are set out in the printed document marked “A” now produced to the Meeting and for the purpose of identification signed by the Chairman hereof (the “Share Option Scheme”), the Share Option Scheme be approved and adopted to be the Share Option Scheme for the Company and that the Directors of the Company be authorised to grant options thereunder and to allot and issue shares pursuant to the exercise of options to be granted under the Share Option Scheme and take all such steps as may be necessary or desirable to implement such Share Option Scheme.”

By the order of the Board  
**Victory Group Limited**  
**Chan Chun Choi**  
*Chairman and Managing Director*

Hong Kong, 11 April 2014

---

## NOTICE OF ANNUAL GENERAL MEETING

---

*Head office and principal place of business in Hong Kong:*

Suite 1609, New East Ocean Centre

No. 9 Science Museum Road

Tsimshatsui East, Kowloon

Hong Kong

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Notes:*

1. A member of the Company who is entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy to attend and vote on his behalf. A proxy needs not be a member of the Company but must attend in person to represent the member. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. Where there are joint holders of any share, any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
3. In order to be valid, the form of proxy together with any power of attorney or other authority under which it is signed or a certified copy of such power of authority, must be deposited with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the Meeting, or any adjournment thereof.
4. As at the date of this notice, the Board comprises Mr. Chan Chun Choi, Mr. Chan Kingsley Chiu Yin 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.