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If you are in doubt as to any aspect of this circular or the offers referred to herein, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant, or other professional adviser.

If you have sold or transferred all your shares in Victory City International Holdings Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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VICTORY CITY INTERNATIONAL HOLDINGS LIMITED

冠華國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 539)

**PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF AGM**

A notice convening the annual general meeting of Victory City International Holdings Limited to be held at Unit D, 3rd Floor, Winfield Industrial Building, 3 Kin Kwan Street, Tuen Mun, New Territories, Hong Kong at 10:00 a.m. on Wednesday, 28 August 2019 is set out on pages 14 to 18 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit it with Tricor Secretaries Limited, the branch share registrar of Victory City International Holdings Limited in Hong Kong, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting (i.e. 10:00 a.m. on Monday, 26 August 2019, Hong Kong time) or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

* *For identification purposes only*

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DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be convened and held at Unit D, 3rd Floor, Winfield Industrial Building, 3 Kin Kwan Street, Tuen Mun, New Territories, Hong Kong at 10:00 a.m. on Wednesday, 28 August 2019, the notice of which is set out on pages 14 to 18 of this circular, and any adjournment thereof
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“CG Code”	Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Listing Rules
“Companies Act”	the Companies Act 1981 of Bermuda
“Company”	Victory City International Holdings Limited, a company incorporated in Bermuda and the Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Extension Mandate”	a general and unconditional mandate to the Directors to extend the Issue Mandate by an amount representing the total number of Shares repurchased under the Repurchase Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares of up to a maximum of 20% of the total number of issued Shares as at the date of passing of the relevant resolution
“Latest Practicable Date”	24 July 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Nomination Committee”	the nomination committee of the Company
“Repurchase Mandate”	a general and unconditional mandate to the Directors to enable them to repurchase Shares the total number of issued Shares of which shall not exceed 10% of the total number of issued Shares as at the date of passing of the relevant resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Shares
“Shares”	shares of HK\$0.1 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers
“%”	per cent.



VICTORY CITY INTERNATIONAL HOLDINGS LIMITED

冠華國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 539)

Executive Directors:

Li Ming Hung (*Chairman*)
Chen Tien Tui (*Chief Executive Officer*)
Lee Yuen Chiu Andy
Choi Lin Hung

Registered office:

Clarendon House
Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Kan Ka Hon
Phaisalakani Vichai
Kwok Sze Chi

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

Unit D, 3rd Floor
Winfield Industrial Building
3 Kin Kwan Street
Tuen Mun
New Territories
Hong Kong

30 July 2019

To the Shareholders

Dear Sirs

**PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS**

INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include ordinary resolutions relating to the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and the re-election of Directors.

* *For identification purposes only*

LETTER FROM THE BOARD

ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be given the Issue Mandate. As at the Latest Practicable Date, a total of 776,911,981 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 155,382,396 Shares.

REPURCHASE MANDATE AND EXTENSION MANDATE

At the Annual General Meeting, an ordinary resolution will also be proposed to give the Directors the Repurchase Mandate.

In addition, an ordinary resolution regarding the Extension Mandate will be proposed at the Annual General Meeting providing that any Shares repurchased under the Repurchase Mandate (up to a maximum of 10% of the issued Shares as at the date of the grant of the Repurchase Mandate) will be added to the total number of Shares which may be allotted and issued under the Issue Mandate.

The Issue Mandate and the Repurchase Mandate would expire at the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the end of the period within which the Company is required by the Companies Act or the Bye-laws to hold its next annual general meeting; and
- (c) when revoked or varied by ordinary resolution(s) of the Shareholders in general meeting prior to the next annual general meeting of the Company.

Under the Listing Rules, the Company is required to give all Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote in favour of or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix I to this circular.

RE-ELECTION OF DIRECTORS

In accordance with Bye-law 87(1), each of Mr. Choi Lin Hung, Mr. Kan Ka Hon and Mr. Phaisalakani Vichai will retire as a Director by rotation at the Annual General Meeting and, being eligible, will offer himself for re-election as a Director by the Shareholders at the Annual General Meeting.

LETTER FROM THE BOARD

The Nomination Committee, having reviewed the structure and composition of the Board and the confirmation of independence provided by each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai pursuant to Rule 3.13 of the Listing Rules, nominated each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai to the Board for it to recommend to Shareholders for re-election as an independent non-executive Director at the Annual General Meeting. The nomination was made in accordance with the nomination policy of the Company and the objective criteria (including without limitation, gender, age, cultural and educational background, professional experience, skills, knowledge and length of service), with due regard for the benefits of diversity, as set out under the board diversity policy of the Company. The Nomination Committee had also taken into account the working profile and extensive of each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai as set out in Appendix II to this circular, contributions of each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai to the Board and their commitment to their respective roles and it was satisfied with their respective independence having regard to the independence criteria as set out in Rule 3.13 of the Listing Rules. The Nomination Committee considers that each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. The Board accepted Nomination Committee's nomination and recommended each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai to stand for re-election as an independent non-executive Director by Shareholders at the Annual General Meeting. The Board is satisfied that each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai has the required character, integrity and experience to continue fulfilling the role of an independent non-executive Director and consider each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai to be independent.

Pursuant to the code provision A.4.3 of Appendix 14 to the Listing Rules, any further appointment of independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by Shareholders. Notwithstanding that each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai has served as an independent non-executive Director for more than nine years, (i) the Board has assessed and reviewed the annual confirmation of independence based on the criteria set out in Rule 3.13 of the Listing Rules and affirmed that each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai remain independent; and (ii) the Board considers that each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai remain independent of management and free of any relationship which could materially interfere with the exercise of their independent judgement. The Board believes that in view of the extensive knowledge and experience of each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai, the re-election of each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai as a Director is in the best interests of the Company and the Shareholders as a whole. Separate resolution will be proposed for the re-election of each of Mr. Kan Ka Hon and Mr. Phaisalakani Vichai at the Annual General Meeting.

Given the extensive knowledge and experience of Mr. Choi Lin Hung, the Nomination Committee and the Board believe that his re-election as a Director is in the best interests of the Company and the Shareholders, and therefore recommend the Shareholders to reelect Mr. Choi Lin Hung as a Director. Separate resolution will be proposed for his re-election at the Annual General Meeting.

LETTER FROM THE BOARD

Brief particulars of Mr. Choi Lin Hung, Mr. Kan Ka Hon and Mr. Phaisalakani Vichai are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other matters, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the re-election of Directors. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

A notice of the Annual General Meeting is set out on pages 14 to 18 of this circular.

Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and, in any event not later than 48 hours before the time for the Annual General Meeting (i.e. 10:00 a.m. on Monday, 26 August 2019, Hong Kong time) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

RECOMMENDATION

The Directors believe that the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the re-election of Directors are beneficial to the Company and the Shareholders as a whole.

The Directors believe that an exercise of the Issue Mandate will enable the Company to take advantage of market conditions to raise additional capital for the Company.

The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be exercised when the Directors believe that repurchases of Shares will benefit the Company and the Shareholders.

Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolutions approving the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the re-election of Directors at the Annual General Meeting.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular and the notice of the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board of
Victory City International Holdings Limited
Li Ming Hung
Chairman

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to enable you to make an informed decision whether to vote in favour of or against the resolution to approve the grant of the Repurchase Mandate to the Directors.

LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which is summarised below. The Company is empowered by its memorandum of association and the Bye-laws to repurchase its own securities.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 776,911,981 Shares.

Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that no Shares are allotted and issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 77,691,198 Shares.

REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. An exercise of the power of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Such an exercise will only be made if the Directors believe that a repurchase of Shares will benefit the Company and the Shareholders.

FUNDING OF REPURCHASES

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and the Bye-laws, the Listing Rules and the applicable laws of Bermuda.

Repurchase must be funded out of funds which are legally available for the purpose and in accordance with the memorandum of association and the Bye-laws and the Companies Act. Under the Companies Act, a company may only repurchase its own securities out of capital paid up on its shares to be repurchased or out of the funds of the company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose.

Any amount of premium payable on a repurchase over the par value of the shares may only be effected out of funds of the Company which would otherwise be available for dividend or distribution or out of the Company's share premium account. Such purchase may not be made if, on the date the purchase is to be effected, there are reasonable grounds for believing that the Company is, or after the purchase would be, unable to pay its liabilities as they become due.

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with that as at 31 March 2019, being the date of its latest published audited consolidated accounts. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements and/or the gearing position of the Group which in the opinion of the Directors are from time to time appropriate for the Group.

SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the twelve months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest HK\$	Lowest HK\$
2018		
July	1.365*	1.186*
August	1.535*	1.236*
September	1.395*	1.106*
October	1.216*	1.096*
November	1.176*	1.037*
December	1.076*	0.997*
2019		
January	1.066*	1.007*
February	1.196*	0.957*
March	1.000*	0.960*
April	1.030*	0.890*
May	0.920*	0.660*
June	0.750*	0.680*
July (<i>Note</i>)	1.000	0.500

Note: up to the Latest Practicable Date

* The price of the Shares were adjusted as a result of the consolidation of every ten (10) ordinary shares of HK\$0.01 each in the share capital of the Company into one (1) consolidated share of HK\$0.10 each in the share capital of the Company effective on 24 June 2019.

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell to the Company or its subsidiaries any of the securities in the Company if the grant of the Repurchase Mandate is approved at the Annual General Meeting and exercised.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make purchases of the Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Bermuda and the regulations set out in the memorandum of association of the Company and the Bye-laws.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, 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 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Li Ming Hung and Mr. Chen Tien Tui ("**Concert Party**"), being parties acting in concert as defined under the Takeovers Code, were interested in approximately an aggregate of 26.99% of the then existing issued Shares and Fiducia Suisse SA was interested in approximately 26.92% of the then existing issued Shares. On the basis of 776,911,981 Shares prior to the date of the Annual General Meeting, if the Repurchase Mandate were exercised in full, the percentage interest of the Concert Party and Fiducia Suisse SA would increase to approximately 29.99% and 29.91% respectively of the then issued Shares.

On the basis of the current shareholding of the Concert Party and Fiducia Suisse SA, an exercise of the Repurchase Mandate in full will not result in the Concert Party, Fiducia Suisse SA and their respective concert parties becoming obliged to make a mandatory offer under the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in any of the Concert Party, Fiducia Suisse SA and their respective concert parties becoming obliged to make a mandatory offer under the Takeovers Code.

As at the Latest Practicable Date, no connected person of the Company had notified the Company that he/she/it had a present intention to sell any securities of the Company nor had such connected person undertaken not to sell any of the securities held by him/her/it to the Company in the event that the Repurchase Mandate is granted.

SECURITIES REPURCHASE MADE BY THE COMPANY

The Company has not purchased any of the Shares (whether on the Stock Exchange or otherwise) during the six months immediately preceding the date of this circular.

PARTICULARS OF DIRECTORS FOR RE-ELECTION

The particulars of the Directors eligible for re-election at the Annual General Meeting are set out below:

Mr. Choi Lin Hung (“Mr. Choi”)

Mr. Choi, aged 57, is an executive Director. He holds a Master in Business Administration and is responsible for the strategic planning and corporate development of the Group. Prior to joining the Group in 2001, Mr. Choi has over 9 years’ banking experience and 6 years’ management experience in garment and textile industry. As at the Latest Practicable Date, Mr. Choi was a director of a number of subsidiaries and associated corporations of the Group.

Save as disclosed above, Mr. Choi did not hold any other position with the Company or other members of the Group. Save as disclosed, in the three years immediately preceding the Latest Practicable Date, Mr. Choi had not held any directorship in any other listed public companies or other major appointments and qualifications.

As at the Latest Practicable Date, Mr. Choi was interested in 2,100,000 Shares and 5,000,000 underlying Shares (being Shares to be allotted on exercise of share options granted under the share option scheme of the Company) in the Company, representing approximately 0.27% and 0.64% respectively of the issued share capital of the Company as at the Latest Practicable Date, within the meaning of Part XV of the SFO. Apart from being an executive Director, Mr. Choi is not related to any other directors, senior management, substantial shareholders (as defined under the Listing Rules) or controlling shareholders (as defined under the Listing Rules) of the Company.

Mr. Choi has entered into a service contract with the Company for an initial term of three years with effect from 1 April 2012 and the term shall continue thereafter unless either party terminate the service contract by giving to the other party at least six months’ notice in writing or any termination event specified in the service contract occurs. His appointment is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws. For the year ended 31 March 2019, Mr. Choi was entitled under the service contract to a salary and a bonus which in aggregate amount to approximately HK\$4.44 million and was entitled to the use of a private car provided by the Group. Mr. Choi’s remuneration is determined with reference to his performance and contribution to the Group.

Mr. Kan Ka Hon (“Mr. Kan”)

Mr. Kan, aged 68, is an independent non-executive Director. Mr. Kan graduated from The University of Hong Kong and is a qualified accountant. He is an independent non-executive director of Eminence Enterprise Limited (formerly known as Easyknit Enterprises Holdings Limited), which is a company listed on the Main Board of the Stock Exchange. Mr. Kan has extensive experience in corporate finance, treasury and accounting and has over 30 years’ experience at management level in listed companies. Mr. Kan joined the Group in 1996.

Save as disclosed above, Mr. Kan did not hold any other position with the Company or other members of the Group. Save as disclosed above, in the three years immediately preceding the Latest Practicable Date, Mr. Kan had not held any directorship in listed public companies or other major appointments and qualifications.

As at the Latest Practicable Date, Mr. Kan did not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. Apart from being an independent non-executive Director, Mr. Kan is not related to any other Directors, senior management, substantial shareholders (as defined under the Listing Rules) or controlling shareholders (as defined under the Listing Rules) of the Company. For the year ended 31 March 2019, Mr. Kan was paid an annual director's fee of HK\$240,000 as determined by the Board with regard to the expected time to be spent by Mr. Kan on the affairs of the Company. Mr. Kan has not entered into any service contract with the Company or any of its subsidiaries. His appointment was renewed on 1 April 2013 for an initial term of two years commencing from 1 April 2013, renewable automatically for successive term of one year commencing from the next day after the expiry of the then current term, unless terminated by not less than three months' notice in writing. His appointment is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-Laws.

Mr. Kan joined the Group in 1996 and has served as an independent non-executive Director for more than nine years. The Company has continued to receive written confirmation from him annually on his independence, and by reference to the Listing Rules which sets out certain criteria on independence of the independent non-executive Director, the Board considers that Mr. Kan is independent. Further, in view of the extensive knowledge and experience of Mr. Kan, the Board believes that his re-election is in the best interests of the Company and the Shareholders as a whole. Pursuant to code provision A.4.3 of the CG Code, a separate ordinary resolution will be proposed at the Annual General Meeting to approve the re-election of Mr. Kan as an independent non-executive Director.

Mr. Phaisalakani Vichai (Andy Hung) (“Mr. Phaisalakani”)

Mr. Phaisalakani, aged 71, is an independent non-executive Director. Mr. Phaisalakani graduated from Minnesota State University at Mankato, the United States of America and is a chartered professional accountant in Canada as well as a member of Hong Kong Institute of Certified Public Accountants. He has worked for an international accounting firm for 11 years and has extensive experience in finance and corporate management with major electronics and garments corporations. Mr. Phaisalakani is an independent non-executive director of Eagle Ride Investment Holdings Limited, a company listed on the Main Board of the Stock Exchange. He is also the chief financial officer of Analogue Holdings Limited, a company listed on the Main Board of the Stock Exchange. He resigned from his position as a senior consultant of Vestate Group Holdings Limited (formerly known as Walker Group Holdings Limited) in September 2015, a company listed on the Main Board of the Stock Exchange. Mr. Phaisalakani joined the Group in 1996.

Save as disclosed above, Mr. Phaisalakani did not hold any other position with the Company or other members of the Group. Save as disclosed above, in the three years immediately preceding the Latest Practicable Date, Mr. Phaisalakani had not held any directorship in listed public companies or other major appointments and qualifications.

As at the Latest Practicable Date, Mr. Phaisalakani was interested in 300,000 Shares, representing approximately 0.04% of the issued share capital of the Company as at the Latest Practicable Date, within the meaning of Part XV of the SFO. Apart from being an independent non-executive Director, Mr. Phaisalakani is not related to any other Directors, senior management, substantial shareholders (as defined under the Listing Rules) or controlling shareholders (as defined under the Listing Rules) of the Company.

For the year ended 31 March 2019, Mr. Phaisalakani was paid an annual director's fee of HK\$240,000 as determined by the Board with regard to the expected time to be spent by Mr. Phaisalakani on the affairs of the Company. Mr. Phaisalakani has not entered into any service contract with the Company or any of its subsidiaries.

His appointment was renewed on 1 April 2013 for an initial term of two years commencing from 1 April 2013, renewable automatically for successive term of one year commencing from the next day after the expiry of the then current term, unless terminated by not less than three months' notice in writing. His appointment is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-Laws.

Mr. Phaisalakani joined the Group in 1996 and has served as an independent non-executive Director for more than nine years. The Company has continued to receive written confirmation from him annually on his independence, and by reference to the Listing Rules which sets out certain criteria on independence of the independent non-executive Director, the Board considers that Mr. Phaisalakani is independent. Further, in view of the extensive knowledge and experience of Mr. Phaisalakani, the Board believes that his re-election is in the best interests of the Company and the Shareholders as a whole. Pursuant to code provision A.4.3 of the CG Code, a separate ordinary resolution will be proposed at the Annual General Meeting to approve the re-election of Mr. Phaisalakani as an independent non-executive Director.

General

Save as disclosed above, the Directors consider that there is no information to be disclosed pursuant to any requirement of Rule 13.51(2) of the Listing Rules (in particular, paragraphs (h) to (v) of that Rule) and that there are no other matters in relation to the re-election of Directors at the Annual General Meeting which need to be brought to the attention of the Shareholders.

NOTICE OF AGM



VICTORY CITY INTERNATIONAL HOLDINGS LIMITED

冠華國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 539)

NOTICE IS HEREBY GIVEN that the annual general meeting (“**AGM**”) of Victory City International Holdings Limited (“**Company**”) will be held at Unit D, 3rd Floor, Winfield Industrial Building, 3 Kin Kwan Street, Tuen Mun, New Territories, Hong Kong at 10:00 a.m. on Wednesday, 28 August 2019 to transact the following ordinary businesses:

1. to receive and approve the audited consolidated financial statements and the reports of the directors of the Company (“**Directors**”) and the Company’s auditors for the year ended 31 March 2019;
2. to consider and approve, each as a separate resolution, if thought fit, the following resolutions:
 - (a) to re-elect Mr. Choi Lin Hung as a Director;
 - (b) to re-elect Mr. Kan Ka Hon as a Director;
 - (c) to re-elect Mr. Phaisalakani Vichai as a Director; and
 - (d) to authorise the board of Directors (“**Board**”) to fix the Directors’ remuneration;
3. to re-appoint the Company’s auditors and to authorise the Board to fix their remuneration;

and, as special businesses, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

4. “**THAT:**
 - (a) subject to paragraph (c) below, pursuant to the Rules (“**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue or otherwise deal with unissued shares in the capital of the Company and to

* *For identification purposes only*

NOTICE OF AGM

make or grant offers, agreements and options, including warrants to subscribe for shares in the Company, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above 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 total number of shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of shares in the Company in lieu of the whole or part of a dividend on shares in the Company in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares in the Company shall not exceed the aggregate of:
 - (aa) 20 per cent. of the total number of shares of the Company in issue on the date of the passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the total number of shares of the Company purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the total number of shares of the Company in issue on the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest 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 of the Company, the Companies Act 1981 of Bermuda (“**Companies Act**”) or any other applicable law of Bermuda to be held; and

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- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares in the Company open for a period fixed by the Directors to holders of shares in the Company on the Company’s register of members on a fixed record date in proportion to their then holdings of shares in the Company (subject to such exclusion 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period of all powers of the Company to purchase shares in the capital of the Company on the Stock Exchange or any other stock exchange on which shares in the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the total number of shares in the Company which may be purchased or agreed to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the total number of shares of the Company in issue as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest 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 of the Company, the Companies Act or any other applicable law of Bermuda to be held; and

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(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

6. “**THAT** conditional on the passing of resolutions numbered 4 and 5 above, the general mandate granted to the Directors pursuant to paragraph (a) of resolution numbered 4 above be and it is hereby extended by the addition to the total number of shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to or in accordance with such general mandate of an amount representing the total number of shares of the Company purchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 5 above.”

By order of the Board
Victory City International Holdings Limited
Lee Chung Shing
Company Secretary

Hong Kong, 30 July 2019

Registered office:
Clarendon House
Church Street
Hamilton HM11
Bermuda

*Head office and principal place
of business in Hong Kong:*
Unit D, 3rd Floor
Winfield Industrial Building
3 Kin Kwan Street
Tuen Mun
New Territories
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares and entitled to attend and vote at the meeting convened by the above notice is entitled to appoint more than one proxy to represent him and vote on his behalf. A proxy need not be a member of the Company.
2. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited at the offices of the Company’s Hong Kong branch share registrar, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 48 hours before the time of the meeting (i.e. 10:00 a.m. on Monday, 26 August 2019, Hong Kong time) or any adjourned meeting.

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3. In relation to proposed resolutions numbered 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules. The Directors have no immediate plans to issue any new shares of the Company other than shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme.
4. In relation to proposed resolution numbered 5 above, the Directors wish to state that they will exercise the powers conferred thereby to purchase shares in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited will be set out in Appendix I to this circular.
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto. If more than one of such joint holders are present at the above 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. 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.
7. Record date (being the last date of registration of any share transfer given there will be no book closure) for determining the entitlement of the shareholders of the Company to attend and vote at the AGM will be on Thursday, 22 August 2019. In order to be eligible to attend and vote at the AGM, unregistered holders of the shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Thursday, 22 August 2019.
8. As at the date of this notice, the Board comprises Mr. Li Ming Hung, Mr. Chen Tien Tui, Mr. Lee Yuen Chiu Andy and Mr. Choi Lin Hung as executive Directors and Mr. Kan Ka Hon, Mr. Phaisalakani Vichai and Mr. Kwok Sze Chi as independent non-executive Directors.