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VICTORY CITY INTERNATIONAL HOLDINGS LIMITED

冠華國際控股有限公司*

*(Joint provisional liquidators appointed)
(For restructuring purposes only)
(Incorporated in Bermuda with limited liability)
(Stock Code: 539)*

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the special general meeting (the “**SGM**”) of Victory City International Holdings Limited (the “**Company**”) will be held at Unit D, 3rd Floor, Winfield Industrial Building, 3 Kin Kwan Street, Tuen Mun, New Territories, Hong Kong on Thursday, 18 March 2021 at 10:00 a.m. to consider and, if thought fit, pass the following purposes:

SPECIAL RESOLUTION

1. “**THAT** the bye-laws of the Company (the “**Bye-Laws**”) be amended by deleting the existing Bye-Law 150 in its entirety and replacing the following new Bye-Law 150 (the “**Amendment to Bye-Laws**”):

“150. The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the Act:

- (1) If, so long as any of the rights attached to any shares, options, warrants, derivatives, notes, bonds or other securities carrying rights of conversion or exchange into, or subscription for, shares of the Company (collectively, “**Relevant Securities**”) issued by the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions of the conditions of the Relevant Securities, would reduce the subscription price to below the nominal value of a share, then the following provisions shall apply:
 - (a) as from the date of the adoption of this Bye-law or such act or transaction the Company shall establish and thereafter (subject as provided in this Bye-law) maintain in accordance with the provisions of this Bye-law a

* For identification purposes only

reserve (the “**Subscription Rights Reserve**”) the amount of which shall at no time be less than the sum which for the time being would be required to be capitalised and applied in paying up in full the nominal amount of the additional shares required to be issued and allotted credited as fully paid pursuant to sub-paragraph (c) below on the exercise in full of all the subscription rights outstanding and shall apply the Subscription Rights Reserve in paying up such additional shares in full as and when the same are allotted;

- (b) the Subscription Rights Reserve shall not be used for any purpose other than that specified above unless all other reserves of the Company (other than share premium account) have been extinguished and will then only be used to make good losses of the Company if and so far as is required by law;
- (c) upon the exercise of all or any of the subscription rights represented by any Relevant Securities, the relevant subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such Relevant Securities is required to pay on exercise of the subscription rights represented thereby (or, as the case may be the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising holder of such Relevant Securities (the “**Relevant Holder**”), credited as fully paid, such additional nominal amount of shares as is equal to the difference between:
 - (i) the said amount in cash which the holder of such Relevant Securities is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and
 - (ii) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the Relevant Securities, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par,

and immediately upon such exercise so much of the sum standing to the credit of the Subscription Rights Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising Relevant Holders; and

- (d) if, upon the exercise of the subscription rights represented by any Relevant Securities, the amount standing to the credit of the Subscription Rights Reserve is not sufficient to pay up in full such additional nominal amount of shares equal to such difference as aforesaid to which the exercising Relevant Holder is entitled, the Board shall apply any profits or reserves then or thereafter becoming available (including, to the extent permitted by law, share premium account or amounts standing to the contributed surplus account of the Company) for such purpose until such additional nominal amount of shares is paid up and allotted as aforesaid and until then no dividend or other distribution shall be paid or made on the fully paid shares of the Company then in issue. Pending such payment and allotment, the exercising Relevant Holder shall be issued by the Company with a certificate evidencing his right to the allotment of such additional nominal amount of shares. The rights represented by any such certificate shall be in registered form and shall be transferable in whole or in part in units of one share in the like manner as the shares for the time being are transferable, and the Company shall make such arrangements in relation to the maintenance of a register therefor and other matters in relation thereto as the Board may think fit and adequate particulars thereof shall be made known to each relevant exercising Relevant Holder upon the issue of such certificate.
- (2) Shares allotted pursuant to the provisions of this Bye-law shall rank *pari passu* in all respects with the other shares allotted on the relevant exercise of the subscription rights represented by the Relevant Securities concerned. Notwithstanding anything contained in paragraph (1) of this Bye-law, no fraction of any share shall be allotted on exercise of the subscription rights.
- (3) The provision of this Bye-law as to the establishment and maintenance of the Subscription Rights Reserve shall not be altered or added to in any way which would vary or abrogate, or which would have the effect of varying or abrogating the provisions for the benefit of any Relevant Holder or class of Relevant Holders under this Bye-law without the sanction of a special resolution of such Relevant Holders or class of Relevant Holders.
- (4) A certificate or report by the auditors for the time being of the Company as to whether or not the Subscription Rights Reserve is required to be established and maintained and if so the amount thereof so required to be established and maintained, as to the purposes for which the Subscription Rights Reserve has been used, as to the extent to which it has been used to make good losses of the Company, as to the additional nominal amount of shares required to be allotted to exercising Relevant Holders credited as fully paid, and as to any other matter concerning the Subscription Rights Reserve shall (in the absence of manifest error) be conclusive and binding upon the Company and all Relevant Holders and shareholders.””

ORDINARY RESOLUTIONS

2. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the Consolidated Shares (as hereinafter defined), every ten existing issued and unissued shares of HK\$0.1 each in the share capital of the Company (each an “**Existing Share**”) be and are hereby consolidated into one share of HK\$1.0 (each a “**Consolidated Share**”) with effect from the second business day immediately following the day on which this resolution is passed (the “**Share Consolidation**”) and the directors of the Company (the “**Directors**”) be authorised to issue new share certificates in respect of the Consolidated Shares to holders of issued existing shares of the Company pursuant to the Share Consolidation and to do all things and execute all documents in connection with or incidental to the Share Consolidation.”
3. “**THAT** subject to passing of the ordinary resolution numbered 2 as set out in the notice convening the SGM above and the Share Consolidation becomes effective,
 - (a) the authorised share capital of the Company be increased from HK\$400,000,000 divided into 400,000,000 Consolidated Shares to HK\$1,000,000,000 divided into 1,000,000,000 Consolidated Shares by the creation of an additional 600,000,000 Consolidated Shares (the “**Increase in Authorised Share Capital**”); and
 - (b) any one or more of the directors of the Company be and is/are hereby authorised to do all such acts and things and execute all such documents which he/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Increase in Authorised Share Capital.”
4. “**THAT** subject to passing of the special resolution numbered 1 as set out in the notice convening the SGM above,
 - (a) the deed of amendment dated 23 October 2020 (as amended and supplemented by the supplemental deed dated 29 January 2021) (the “**Deed of Amendment A**”) entered into between the Company and Mr. Wang Chia Po in relation to the amendment of certain terms and conditions (the “**Proposed Amendment A**”) of the convertible bonds issued by the Company in the amount of HK\$64,000,000 on 13 August 2019 (the “**Convertible Bonds A**”) (a copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification) be and is hereby approved, ratified and confirmed, and all the transactions contemplated thereunder, including the Proposed Amendment A, be and are hereby approved, ratified and confirmed;

- (b) subject to The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) having approved the Proposed Amendment A, and the Listing Committee of the Stock Exchange granting approval for the listing of, and the permission to deal in, the Conversion Shares A (as defined below) on the Stock Exchange, the Board be and is hereby granted a specific mandate for the allotment and issue of the Existing Shares (if the Share Consolidation does not become effective) or the Consolidated Shares (if the Share Consolidation becomes effective) upon exercise of the conversion rights under the Convertible Bonds A (as amended by the Deed of Amendment A) (the “**Conversion Shares A**”); and
 - (c) subject to and conditional upon the fulfilment of the conditions in the Deed of Amendment A, the directors of the Company (the “**Directors**”) be and are hereby authorised to, for and on behalf of the Company, execute all such documents, instruments and agreements, and do all such acts or things, as they may consider necessary, desirable or expedient to give effect to the Deed of Amendment A and the transactions contemplated thereunder.”
5. “**THAT** subject to passing of the special resolution numbered 1 as set out in the notice convening the SGM above,
- (a) the deed of amendment dated 23 October 2020 (as amended and supplemented by the supplemental deed dated 29 January 2021) (the “**Deed of Amendment B**”) entered into between the Company and Mr. Wong Shu Fat in relation to the amendment of certain terms and conditions (the “**Proposed Amendment B**”) of the convertible bonds issued by the Company in the amount of HK\$65,000,000 on 23 October 2019 (the “**Convertible Bonds B**”) (a copy of which has been produced to the meeting marked “B” and signed by the chairman of the meeting for the purpose of identification) be and is hereby approved, ratified and confirmed, and all the transactions contemplated thereunder, including the Proposed Amendment B, be and are hereby approved, ratified and confirmed;
 - (b) subject to the Stock Exchange having approved the Proposed Amendment B, and the Listing Committee of the Stock Exchange granting approval for the listing of, and the permission to deal in, the Conversion Shares B on the Stock Exchange, the Board be and is hereby granted a specific mandate for the allotment and issue of the Existing Shares (if the Share Consolidation does not become effective) or the Consolidated Shares (if the Share Consolidation becomes effective) upon exercise of the conversion rights under the Convertible Bonds B (as amended by the Deed of Amendment B) (the “**Conversion Shares B**”); and

- (c) subject to and conditional upon the fulfilment of the conditions in the Deed of Amendment B, the Directors be and are hereby authorised to, for and on behalf of the Company, execute all such documents, instruments and agreements, and do all such acts or things, as they may consider necessary, desirable or expedient to give effect to the Deed of Amendment B and the transactions contemplated thereunder.”

By order of the board of Directors of
Victory City International Holdings Limited
Li Ming Hung
Chairman

Hong Kong, 23 February 2021

Registered office:
Clarendon House
Church Street
Hamilton HM 11
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 Tuesday, 16 March 2021, Hong Kong time) or any adjourned meeting.
3. 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.
4. 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.

5. For determining the entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Friday, 12 March 2021 to Thursday, 18 March 2021 (both dates inclusive), during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the SGM, all instruments of transfer together with the relevant share certificate(s) must be lodged with Tricor Secretaries Limited, the branch share registrar of the Company in Hong Kong, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 11 March 2021.
6. A form of proxy for use at the SGM is enclosed with the circular to the shareholders of the Company.
7. The votes to be taken at the SGM will be determined by way of a poll.
8. As at the date of this notice, the board of Directors comprises Mr. Li Ming Hung, Mr. Chen Tien Tui and Mr. Lee Yuen Chiu Andy as executive Directors and Mr. Kan Ka Hon, Mr. Phaisalakani Vichai and Mr. Kwok Sze Chi as independent non-executive Directors.