

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

Veeko®

VEEKO INTERNATIONAL HOLDINGS LIMITED

威高國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1173)

UPDATE ON BUSINESS DEVELOPMENT

This is a voluntary announcement made by Veeko International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

Reference is made to (i) the interim report of the Company for the six months ended 30 September 2015 (the “**2015/2016 Interim Report**”); and (ii) the annual report of the Company for the year ended 31 March 2015 (the “**2015 Annual Report**”).

As already been disclosed in the 2015 Annual Report as well as the 2015/2016 Interim Report, the Group had been cautious with regards to its fashion retail business overseas and had indicated that it would continue to restructure its store portfolio in the overseas market in a prudent manner by integrating, further closing underperforming stores overseas.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform its shareholders and potential investors that the Group had been closing down its fashion retail stores in Taiwan, and the Group had 14 stores in Taiwan as at the date of this announcement, as compared to 25 stores in Taiwan as at 30 September 2015. As a result of the Group’s strategy of further closing down underperforming stores, it is expected that all stores in Taiwan would be closed by around the end of March 2016 and the Group would cease its fashion retail operation in Taiwan. The Directors consider that the resources of the Group could be better allocated for its other businesses.

As disclosed in the 2015/2016 Interim Report, turnover of the retail business in Taiwan for the six months ended 30 September 2015 was approximately HK\$18.3 million, representing approximately 7.7% of the turnover derived from the Group’s fashion segment and approximately 1.7% of the total turnover of the Group, respectively. As disclosed in the 2015 Annual Report, turnover of the retail business in Taiwan for the year ended 31 March 2015 was approximately HK\$48.5 million, representing approximately 8.9% of the turnover derived from the Group’s fashion segment and approximately 2.4% of the total turnover of the Group, respectively.

The Directors consider that the cessation of operation and business in Taiwan has no material adverse impact on the financial and operational position of the Group.

By Order of the Board
Veeko International Holdings Limited
Cheng Chung Man, Johnny
Chairman

Hong Kong, 4 March 2016

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Cheng Chung Man Johnny (Chairman) and Ms. Lam Yuk Sum, and three independent non-executive Directors, namely Dr. Fok Kam Chu, John, Mr. Lam Man Tin and Mr. Yeung Wing Kay.