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A & S GROUP (HOLDINGS) LIMITED

亞洲實業集團（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1737)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2018**

FINANCIAL HIGHLIGHTS

- Revenue was approximately HK\$474.7 million for the year ended 31 March 2018, representing an increase of approximately 10.4% as compared with the same for the year ended 31 March 2017.
- Gross profit decreased from approximately HK\$83.2 million for the year ended 31 March 2017 to approximately HK\$72.6 million for the year ended 31 March 2018.
- Gross profit margin decreased from approximately 19.4% for the year ended 31 March 2017 to approximately 15.3% for the year ended 31 March 2018.
- Profit attributable to the owners of the Company was approximately HK\$12.1 million for the year ended 31 March 2018 as compared to profit of approximately HK\$34.2 million for the year ended 31 March 2017. By excluding the listing expenses, net profit for the year ended 31 March 2018 was approximately HK\$22.8 million.
- Basic earnings per share was approximately HK1.6 cents for the year ended 31 March 2018, and approximately HK4.6 cents for the year ended 31 March 2017.
- The Board does not recommend the payment of any dividend for the year ended 31 March 2018.

FINAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of A & S Group (Holdings) Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2018, together with the comparative figures for the year ended 31 March 2017.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2018

		2018	2017
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	3	474,690	430,093
Direct costs		<u>(402,128)</u>	<u>(346,845)</u>
Gross profit		72,562	83,248
Other income and gains	3	3,516	3,328
Administrative and other operating expenses		<u>(57,910)</u>	<u>(43,404)</u>
Operating profit		18,168	43,172
Finance costs	5	<u>(866)</u>	<u>(1,362)</u>
Profit before tax	4	17,302	41,810
Income tax expense	6	<u>(5,163)</u>	<u>(7,597)</u>
Profit and total comprehensive income for the year attributable to owners of the Company		<u><u>12,139</u></u>	<u><u>34,213</u></u>
Basic and diluted earnings per share	7	<u><u>HK1.6 cents</u></u>	<u><u>HK4.6 cents</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2018

	<i>Note</i>	2018 HK\$'000	2017 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		<u>13,208</u>	<u>6,845</u>
Current assets			
Trade receivables	9	90,760	83,312
Other receivables, deposits and prepayments		15,664	10,539
Amounts due from related companies		28	464
Pledged deposit		3,000	3,000
Cash and bank balances		142,245	58,095
Tax recoverable		<u>1,558</u>	<u>—</u>
		<u>253,255</u>	<u>155,410</u>
Total assets		<u>266,463</u>	<u>162,255</u>
EQUITY			
Capital and reserves			
Share capital		10,000	—
Reserves		<u>179,639</u>	<u>80,379</u>
Total equity		<u>189,639</u>	<u>80,379</u>
LIABILITIES			
Non-current liabilities			
Finance lease liabilities		—	257
Deferred tax liabilities		<u>1,047</u>	<u>—</u>
		<u>1,047</u>	<u>257</u>

	<i>Note</i>	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Current liabilities			
Trade payables	10	9,720	10,664
Accruals and other payables	10	20,105	18,770
Amounts due to directors		–	20,081
Bank and other borrowings		45,952	25,545
Finance lease liabilities		–	1,743
Tax payable		–	4,816
		<u>75,777</u>	<u>81,619</u>
Total liabilities		<u>76,824</u>	<u>81,876</u>
Total equity and liabilities		<u>266,463</u>	<u>162,255</u>
Net current assets		<u>177,478</u>	<u>73,791</u>
Total assets less current liabilities		<u>190,686</u>	<u>80,636</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION AND BASIS OF PRESENTATION

The Company was incorporated in the Cayman Islands on 7 July 2016 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 14 March 2018. Its parent and ultimate holding company is Dynamic Victor Limited, a company incorporated in the Republic of Seychelles (the “**Seychelles**”) and owned as to 60% by Mr. Law Kwok Leung (“**Mr. Alex Law**”), 30% by Mr. Law Kwok Ho Simon (“**Mr. Simon Law**”) and 10% by Mr. Chiu Tat Ting Albert (“**Mr. Albert Chiu**”) (collectively referred to as the “**Controlling Shareholders**”).

The address of the Company’s registered office is P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands and the Company’s principal place of business is Room 11, 14th Floor, Tower 2, Ever Gain Plaza, 88 Container Port Road, Kwai Chung, New Territories, Hong Kong. The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) is principally engaged in provision of air freight forwarding ground handling services and air cargo terminal operating services in Hong Kong.

Prior to the corporate reorganisation undertaken in preparation for the listing of the Company’s shares on the Main Board of the Stock Exchange (the “**Reorganisation**”), the group entities were collectively controlled by the Controlling Shareholders. Through the Reorganisation, the Company became the holding company of the companies now comprising the Group on 21 February 2018. Accordingly, for the purpose of the preparation of the consolidated financial statements of the Group, the Company has been considered as the holding company of the companies now comprising the Group throughout the years presented. The Group comprising the Company and its subsidiaries resulting from the Reorganisation is regarded as a continuing entity. The Group was under the common control of the Controlling Shareholders prior to and after the Reorganisation.

The consolidated financial statements have been prepared as if the Company had been the holding company of the Group throughout the years presented in accordance with Accounting Guideline 5 “Merger Accounting for Common Control Combinations” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). The consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the years presented, which include the results, changes in equity and cash flows of the companies now comprising the Group, have been prepared as if the current group structure had been in existence throughout the years presented, or since their respective dates of incorporation where this is a shorter period.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company. All values are rounded to nearest thousand (HK\$’000) except when otherwise indicated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, unless otherwise stated.

Changes in accounting policy and disclosures

(a) *New and amended standards adopted by the Group*

The following amendments to existing standards are effective to the Group for accounting periods beginning on or after 1 April 2017 but did not result in any significant impact on the results and financial position of the Group.

HKAS 7 (Amendments)	Disclosure Initiative
HKAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
HKFRS 12 (Amendments)	Disclosure of Interest in Other Entities

None of the above amendments to HKFRSs has had a material impact on the Group's financial performance and positions for the period presented in these financial statements. Disclosure has been made in notes to the financial statements upon the adoption of amendments to HKAS 7, which require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

(b) *New accounting standards, amendments to standards and interpretations to existing standards that are not yet effective and have not been early adopted by the Group*

A number of new standards and amendments to standards and interpretations are effective for accounting periods beginning on or after 1 April 2018, and have not been applied in preparing these consolidated financial statements.

		Effective for the accounting periods beginning on or after
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions	1 January 2018
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts	1 January 2018
HKFRS 9	Financial Instruments	1 January 2018
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation	1 January 2019
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate and Joint Venture	To be determined
HKFRS 15	Revenue from Contracts with Customers	1 January 2018
HKFRS 15 (Amendments)	Clarifications to HKFRS 15	1 January 2018
HKFRS 16	Leases	1 January 2019
HKFRS 17	Insurance Contracts	1 January 2021
HKAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures	1 January 2019
HKAS 40 (Amendments)	Transfers of Investment Property	1 January 2018
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments	1 January 2019
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014-2016 Cycle	1 January 2018
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle	1 January 2019

3 REVENUE, OTHER INCOME AND GAINS AND SEGMENT INFORMATION

Revenue and other income, gains and losses recognised during the year are as follows:

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Revenue		
Air freight forwarding ground handling services and air cargo terminal operating services	<u>474,690</u>	<u>430,093</u>
Other income, gains and losses		
Gain on disposal of property, plant and equipment	63	–
Income from sales of scrap materials	1,242	1,373
Management fee income	60	624
Others	<u>2,151</u>	<u>1,331</u>
	<u>3,516</u>	<u>3,328</u>

Segment information

The chief operating decision-maker has been identified as the executive directors of the Company. The executive directors regard the Group's business as a single operating segment and review consolidated financial statements accordingly. Also, all of the Group's revenue during the years ended 31 March 2017 and 2018 are derived from Hong Kong, the place of domicile of the Group's operating subsidiary. Therefore, no segment information is presented.

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Customer A	230,721	215,904
Customer B ¹	<u>180,572</u>	<u>187,890</u>

¹ The above customer represents a collective of companies within a group.

4 PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

	2018 HK\$'000	2017 HK\$'000
Included in direct costs:		
Direct labour costs	130,505	137,825
Dispatched labour costs	175,077	131,794
Costs of packaging materials	10,202	12,258
Depreciation	3,531	2,569
Forklift rental	11,514	9,842
Operating lease rental on		
– Car parking spaces	1,513	1,718
– Warehouses and loading bay	38,256	30,918
	<u>38,256</u>	<u>30,918</u>
Included in administrative and other operating expenses:		
Auditors' remuneration	950	60
Depreciation	1,968	1,576
Listing expenses	10,668	3,901
Operating lease rental on premises	345	300
Staff costs, including directors' emoluments	12,205	12,106
	<u>12,205</u>	<u>12,106</u>

5 FINANCE COSTS

	2018 HK\$'000	2017 HK\$'000
Interest on finance leases	35	133
Interest on bank borrowings	620	502
Interest on other borrowings	211	727
	<u>866</u>	<u>1,362</u>

6 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profit arising in or derived from Hong Kong for the year.

	2018 HK\$'000	2017 HK\$'000
Hong Kong profits tax:		
– Current income tax	4,138	7,597
– Overprovision in prior years	(22)	–
Deferred income tax	1,047	–
	<u>5,163</u>	<u>7,597</u>
Income tax expense	<u>5,163</u>	<u>7,597</u>

7 BASIC AND DILUTED EARNINGS PER SHARE

	2018	2017
Profit attributable to owners of the Company (HK\$'000)	<u>12,139</u>	<u>34,213</u>
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (in thousand)	<u>762,329</u>	<u>750,000</u>
Basic earnings per share (HK cents)	<u>1.6</u>	<u>4.6</u>

The weighted average number of ordinary shares for the purpose of basic earnings per share for the year ended 31 March 2018 was derived from 750,000,000 ordinary shares in issue, as if these 750,000,000 ordinary shares were outstanding throughout the year, and the effect of the share offer (250,000,000 ordinary shares issued on 14 March 2018) by the Company.

The weighted average number of ordinary shares for the purpose of basic earnings per share for the year ended 31 March 2017 was derived from 750,000,000 ordinary shares (comprising 10,000 ordinary shares in issue and 749,990,000 ordinary shares issued under the capitalisation issue), as if these 750,000,000 ordinary shares were outstanding throughout the year.

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary share in issue during the years ended 31 March 2018 and 2017.

8 DIVIDENDS

On 10 May 2017, the subsidiary of the Company declared an dividend of HK\$11,000,000 to its then shareholders prior to the Reorganisation. The rate of dividend and the number of shares ranking for dividend are not presented as such information is not meaningful for the preparation of these consolidated financial statements.

No dividend was paid or proposed for the shareholders of the Company during the year ended 31 March 2018 (2017: Nil), nor has any dividend been proposed since the end of the reporting period.

9 TRADE RECEIVABLES

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Trade receivables	<u>90,760</u>	<u>83,312</u>

The credit period granted to customers is 30 to 60 days from invoice date generally.

The ageing analysis of the trade receivables based on invoice date is as follows:

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
0 – 30 days	39,002	40,502
31 – 60 days	45,735	37,329
61 – 90 days	5,095	5,150
Over 90 days	928	331
	<u>90,760</u>	<u>83,312</u>

10 TRADE AND OTHER PAYABLES

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
Trade payables	9,720	10,664
Accruals and other payables	18,555	17,820
Deposits received	<u>1,550</u>	<u>950</u>
	<u>29,825</u>	<u>29,434</u>

Payment terms granted by suppliers are generally 7 to 60 days from the invoice date of the relevant purchases.

The ageing analysis of trade payables based on the invoice date is as follows:

	2018 <i>HK\$'000</i>	2017 <i>HK\$'000</i>
0 – 30 days	3,546	5,990
31 – 60 days	3,556	2,931
61 – 90 days	718	931
Over 90 days	<u>1,900</u>	<u>812</u>
	<u>9,720</u>	<u>10,664</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group is principally engaged in the provision of (i) air freight forwarding ground handling services and (ii) air cargo terminal operating services in Hong Kong. The Group provides air freight forwarding ground handling services to the Group's customers, who are generally global logistics companies and major freight forwarding agents, with the Group's facilities at the Group's own rented warehouse premises in the Airport Freight Forwarding Centre ("AFFC"). The Group also provides air cargo terminal operating services at the Cathay Pacific Cargo Terminal ("CPCT"), being one of the three air cargo terminals operating in Hong Kong, to work with its various built-in computerised handling systems.

The shares of the Company were listed on the Main Board of the Stock Exchange on 14 March 2018 (the "**Listing Date**") by way of share offer. The Directors believe that the listing could enhance the Group's profile and recognition which will enhance the customers' confidence on the Group. In addition, the net proceeds from the share offer will provide additional resources to the Group to expand its business.

FINANCIAL REVIEW

Turnover

Revenue of the Group increased by approximately 10.4% from approximately HK\$430.1 million for the year ended 31 March 2017 ("**FY2017**") to approximately HK\$474.7 million for the year ended 31 March 2018 ("**FY2018**"). Such increase was mainly driven by the increase in average services fee of the air freight forwarding ground handling services and the increase in cargo volume processed for the air cargo terminal operating services.

Gross profit and gross profit margin

Gross profit decreased by approximately 12.8% from HK\$83.2 million for FY2017 to HK\$72.6 million for FY2018. It was mainly because the gross profit margin returned from a relatively high level of approximately 19.4% for FY2017 as we attained a new pricing upon the renewal of major contracts in July 2016 to approximately 15.3% for FY2018, mainly resulted from the increasing average labour cost for FY2018.

Other income and gains

Other income and gains mainly comprised of income from sales of scrap materials and other miscellaneous income. Other income and gains remained relatively stable at approximately HK\$3.5 million for FY2018 as compared with approximately HK\$3.3 million for FY2017.

Administrative and other operating expenses

Administrative and other operating expenses increased by approximately 33.4% from approximately HK\$43.4 million for FY2017 to approximately HK\$57.9 million for FY2018, primarily due to higher listing expenses and listing related administrative expenses for FY2018 as compared with FY2017.

Income tax expense

Income tax expense decreased by approximately 32.0% from approximately HK\$7.6 million for FY2017 to approximately HK\$5.2 million for FY2018, primarily due to the decrease in profit before tax driven by the decrease in gross profit and the increase in administrative and other operating expenses as explained above.

Profit and total comprehensive income for the year

As a result of the foregoing, the Group recorded a profit and total comprehensive income attributable to owners of the Company of approximately HK\$12.1 million for FY2018 as compared to approximately HK\$34.2 million for FY2017. Set aside the listing expenses, the Group's net profit for FY2018 would be approximately HK\$22.8 million. The net profit margin (excluding the listing expenses) for FY2018 and FY2017 was approximately 4.8% and 8.9% respectively.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's operation and investments were financed principally by cash generated from its business operations, bank borrowings and equity contribution from shareholders. As at 31 March 2018, the Group had net current assets of approximately HK\$177.5 million (2017: HK\$73.8 million), cash and bank balances approximately HK\$142.2 million (2017: HK\$58.1 million) and pledged bank deposit with original maturity over three months of HK\$3.0 million (2017: HK\$3.0 million). As at the same date, the Group's total equity attributable to owners of the Company amounted to approximately HK\$189.6 million (2017: HK\$80.4 million), and the Group's total debt comprising bank and other borrowings and finance lease liabilities amounted to approximately HK\$46.0 million (2017: HK\$27.5 million). The Directors have confirmed that the Group will have sufficient financial resources to meet its obligations as they fall due in the foreseeable future.

GEARING RATIO

As at 31 March 2018, the gearing ratio (calculated on the basis of total bank borrowings and finance lease liabilities divided by total equity at the end of the year) of the Group was 24.2% (FY2017: 34.3%).

FINAL DIVIDENDS

The Board does not recommend the payment of final dividend for FY2018 (2017: Nil).

On 10 May 2017, the subsidiary of the Company has declared dividends of approximately HK\$11.0 million to its then shareholders prior to the Reorganisation.

CAPITAL COMMITMENTS

As at 31 March 2018, the Group did not have any material capital commitments (2017: Nil).

CONTINGENT LIABILITIES

As at 31 March 2018, the Group did not have any material contingent liability (2017: Nil).

INFORMATION ON EMPLOYEES

As at 31 March 2018, the Group employed 539 employees (2017: 616 employees). Remuneration packages are generally structured to market terms, individual qualifications and experience. Salaries and wages of the Group's employees are normally reviewed on an annual basis based on performance appraisals and other relevant factors.

USE OF PROCEEDS

The net proceeds from the share offer, after deducting underwriting fees and estimated expenses payable by the Group in connection thereto, were approximately HK\$92.8 million. The shares of the Company were listed on Main Board of the Stock Exchange on the Listing Date shortly before the end of FY2018. The Board confirms that between the Listing Date and 31 March 2018, there was no significant progress as to the business objectives described in the prospectus of the Company dated 28 February 2018 (the “**Prospectus**”). The unutilised net proceeds have been placed as interest bearing deposits with licensed bank in Hong Kong.

The net proceeds from the share offer will be applied as follows:

	Planned use of net proceeds as stated in the Prospectus <i>HK\$' million</i>
New warehouse premises in Tuen Mun	36.4
Upgrading our existing facilities and acquisition of additional trucks and equipment	36.4
New information technology system	14.5
General working capital	5.5

TREASURY POLICY

The Directors will continue to follow a prudent policy in managing the Group's cash and maintaining a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

CAPITAL STRUCTURE

The Group's shares were successfully listed on the Stock Exchange on the Listing Date. There has been no change in the capital structure of the Group since the Listing Date and up to date of this announcement. The capital of the Group only comprises of ordinary shares.

CHARGE ON GROUP ASSETS

Certain cash deposits of the Group of approximately HK\$3,000,000 as at 31 March 2017 and 2018 are charged to the bank to secure general banking facilities.

FOREIGN EXCHANGE EXPOSURE

The Group currently does not expose to material foreign exchange risk as most of the monetary assets and liabilities are denominated in Hong Kong dollars. The management will consider suitable hedging instruments against significant currency exposure should the need arises.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND ACQUISITION OF CAPITAL ASSET

Save as disclosed in the Prospectus and in this announcement, the Group did not have other plans for material investments or acquisition of capital assets as of 31 March 2018.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During FY2018, the Group did not have any significant investments, material acquisitions or disposals of subsidiaries, associates or joint ventures saved for those related to the corporate reorganisation (as detailed in the Prospectus).

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the Model Code for Securities Transaction by the Directors of Listed Companies (the “**Model Code**”) set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as the code of conduct regarding securities transactions by directors. Having made specific enquiry, all Directors have fully complied with the required standards set out in the Model Code during FY2018.

CORPORATE GOVERNANCE PRACTICE

The Company acknowledges the need and importance of corporate governance as one of the key elements in creating shareholders' value. The Company is also committed to achieving a high standard of corporate governance that can protect and promote the interests of all shareholders and to enhance corporate value and accountability of the Company. The Company has applied the principles and code provisions in the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) as set out in Appendix 14 to the Listing Rules. During FY2018, to the best knowledge of the Board, the Company has complied with all the applicable code provisions set out in the CG Code.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during FY2018.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) was established on 21 February 2018. The chairman of the Audit Committee is Mr. Kwan Ngai Kit, the independent non-executive Director, and other members included Mr. Ho Chun Chung Patrick and Mr. Iu Tak Meng Teddy, the independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the website of the Stock Exchange and on the Company's website.

The primary duties of the Audit Committee are to review the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the consolidated financial statements for FY2018. The final results announcement of the Group for FY2018 has been reviewed by the Audit Committee.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income, and the related notes thereto for FY2018 as set out in the preliminary announcement have been agreed by the Group's auditor, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's draft consolidated financial statements for FY2018. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by HLB Hodgson Impey Cheng Limited on the preliminary announcement.

The Group's annual results for FY2018 has been reviewed by the Audit Committee.

APPRECIATION

Mr. Law Kwok Leung Alex, the chairman of the Board, would like to take this opportunity to express his heartfelt thanks to the members of the Board and all the staff of the Group for their effective work and strenuous efforts. As in the past, the Company will strive to reward all its shareholders for their unwavering support.

By order of the Board
A & S Group (Holdings) Limited
Law Kwok Leung Alex
Chairman and Executive Director

Hong Kong, 25 June 2018

As at the date of this announcement, the Board comprises Mr. Law Kwok Leung Alex, Mr. Law Kwok Ho Simon and Mr. Chiu Tat Ting Albert as executive Directors; and Mr. Iu Tak Meng Teddy, Mr. Kwan Ngai Kit and Mr. Ho Chun Chung Patrick as independent non-executive Directors.