News Release

28 August 2018

AMVIG Holdings Limited

AMVIG Holdings Limited has released its results for the half year ended 30 June 2018.

Full details are contained in the AMVIG Holdings Limited announcement to the Hong Kong Stock Exchange (a copy of which is attached to this release).

This release is provided for information purposes.

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AMVIG HOLDINGS LIMITED
澳 科 控 股 有 限 公 司 *

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2300)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2018

FINANCIAL HIGHLIGHTS

- Turnover grew by 11% to HK$1,216 million.
- The underlying profit attributable to owners of the Company for the Reporting Period, excluding the exchange loss of HK$21.8 million (2017: exchange gain of HK$39.1 million), and on a constant currency basis, increased 25.4% to HK$171 million. Reported profit attributable to owners of the Company decreased by 6.5% to HK$164 million due to the exchange loss.
- Basic earnings per share was HK17.7 cents.
- Interim dividends of HK8 cents per share (2017: HK7.6 cents) declared.

RESULTS

The board (the "**Board**") of directors (the "**Directors**") of AMVIG Holdings Limited (the "**Company**" or "**AMVIG**") is pleased to announce the unaudited condensed consolidated financial results of the Company and its subsidiaries (together the "**Group**") for the six months ended 30 June 2018 (the "**Reporting Period**") together with the comparative figures for the corresponding period in 2017 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 30 JUNE 2018

		For the six months ended 30 June	
		2018	2017
		(Unaudited)	(Unaudited)
	Note	***HK$'000***	*HK$'000*
Turnover	*2*	**1,215,753**	1,094,497
Cost of goods sold		**(849,458)**	(766,544)
Gross profit		**366,295**	327,953
Other income		**27,915**	70,793
Selling and distribution costs		**(33,034)**	(23,488)
Administrative expenses		**(80,832)**	(72,084)
Other operating expenses		**(22,476)**	(118)
Finance costs		**(38,042)**	(29,156)
Share of profit of associates	*3*	**34,151**	5,249
Profit before tax	*4*	**253,977**	279,149
Income tax expenses	*5*	**(61,496)**	(79,329)
Profit for the period		**192,481**	199,820
Attributable to:			
– Owners of the Company		**164,109**	175,571
– Non-controlling interests		**28,372**	24,249
Profit for the period		**192,481**	199,820
Earnings per share			
– basic (HK cents)	*6a*	**17.7**	18.9
– diluted (HK cents)	*6b*	**N/A**	N/A

Reconciliation of underlying profit attributable to owners of the Company:

	Note	**For the six months ended 30 June 2018 (Unaudited) *HK$'000***	2017 (Unaudited) *HK$'000*
Profit attributable to owners of the Company (as above)		**164,109**	175,571
Constant currency variance[1]		**(14,826)**	–
Add/(Less): Exchange loss/(gain)		**21,834**	(39,106)
Underlying profit attributable to owners of the Company		**171,117**	136,465
Underlying basic earnings per share (HK cents)	*6c*	**18.4**	14.7

[1] *The constant currency variance was calculated by translating the Reporting Period's results from RMB into HK dollars at the average exchange rates applicable in the prior corresponding period.*

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2018

	For the six months ended 30 June	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Profit for the period	**192,481**	199,820
Other comprehensive income:		
Items that may be reclassified to profit or loss:		
Exchange differences on translating foreign operations	**(48,900)**	129,810
Share of other comprehensive income of associates	**(12,468)**	4,031
Cash flow hedges		
Change in fair value of hedging instruments arising during the period	**122**	(15,029)
Reclassification adjustments for losses relating to the hedging instruments included in profit or loss	**2,481**	12,987
	2,603	(2,042)
Other comprehensive income for the period, net of tax	**(58,765)**	131,799
Total comprehensive income for the period	**133,716**	331,619
Attributable to:		
– Owners of the Company	**110,893**	297,190
– Non-controlling interests	**22,823**	34,429
	133,716	331,619

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2018

	Note	30 June 2018 (Unaudited) HK$'000	31 December 2017 (Audited) HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**685,069**	701,633
Prepaid land lease payments		**148,038**	152,438
Goodwill		**2,702,632**	2,740,810
Interests in associates		**866,764**	131,294
Other non-current assets		**15,210**	48,197
		4,417,713	3,774,372
Current assets			
Inventories		**279,826**	275,751
Trade and other receivables	*8*	**915,516**	1,074,458
Prepaid land lease payments		**4,554**	4,618
Prepayments and deposits		**68,050**	44,166
Current tax assets		**14,626**	20,439
Pledged bank deposits		**2,364**	2,398
Bank and cash balances		**1,106,346**	1,242,769
		2,391,282	2,664,599
Total assets		**6,808,995**	6,438,971

	Note	30 June 2018 (Unaudited) *HK$'000*	31 December 2017 (Audited) *HK$'000*
EQUITY			
Capital and reserves			
Share capital		**9,290**	9,290
Reserves		**3,775,761**	3,732,688
Equity attributable to owners of the Company		**3,785,051**	3,741,978
Non-controlling interests		**339,473**	316,650
Total equity		**4,124,524**	4,058,628
LIABILITIES			
Non-current liabilities			
Bank borrowings		**1,927,344**	1,466,760
Derivative financial instruments		**14,664**	20,687
Deferred tax liabilities		**13,283**	10,627
		1,955,291	1,498,074
Current liabilities			
Trade and other payables	*9*	**688,444**	829,167
Current tax liabilities		**25,778**	35,214
Derivative financial instruments		**11,411**	14,291
Current portion of bank borrowings		**3,547**	3,597
		729,180	882,269
Total liabilities		**2,684,471**	2,380,343
Total equity and liabilities		**6,808,995**	6,438,971
Net current assets		**1,662,102**	1,782,330
Total assets less current liabilities		**6,079,815**	5,556,702

Notes:

1. **BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES**

These condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("**HKAS 34**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosures required by the Rules ("**the Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the annual financial statements for the year ended 31 December 2017. The condensed consolidated financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**", which term collectively includes Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations).

These condensed consolidated financial statements should be read in conjunction with the 2017 annual financial statements. The accounting policies and methods of computation adopted in the preparation of these condensed consolidated financial statements are consistent with those used in the preparation of the audited financial statements of the Group for the year ended 31 December 2017.

In the current period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2018. The adoption of these new and revised HKFRSs did not have any significant effect on the condensed consolidated financial statements.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. All of these pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncements.

2. **TURNOVER**

The Group is principally engaged in printing of cigarette packages.

3. **SHARE OF PROFIT OF ASSOCIATES**

	For the six months ended 30 June	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd.	**28,551**	–
Nanjing Sanlong Packing Co., Ltd. and others	**5,600**	5,249
	34,151	5,249

4. PROFIT BEFORE TAX

The Group's profit before tax is stated after charging/(crediting) the following:

	For the six months ended 30 June	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest income	**(7,177)**	(7,087)
Staff costs including Directors' emoluments	**132,275**	130,618
Cost of inventories sold	**849,458**	766,544
Depreciation and amortisation	**41,433**	45,136
Gain on disposal of property, plant and equipment	**(288)**	(375)

5. INCOME TAX EXPENSES

	For the six months ended 30 June	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
PRC corporate income tax and withholding tax		
– current	**61,902**	80,227
– overprovision in prior year	**(63)**	(622)
Other deferred tax	**(343)**	(276)
	61,496	79,329

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profit in Hong Kong.

The provision for the People's Republic of China ("**PRC**") income tax is calculated based on the statutory income tax rates according to the relevant income tax laws and regulations in the PRC.

6. EARNINGS PER SHARE

(a) Basic earnings per share is calculated based on the Group's unaudited profit attributable to owners of the Company for the six months ended 30 June 2018 of approximately HK$164,109,000 (30 June 2017: HK$175,571,000) and the weighted average number of shares of approximately 929,047,000 ordinary shares in issue during the six months ended 30 June 2018 (30 June 2017: 929,047,000 ordinary shares).

(b) No diluted earnings per share are presented as the Company did not have any potentially dilutive ordinary shares as the exercise price of the share options was higher than the average market price of the Company's shares for the six months ended 30 June 2018 and 2017.

(c) Underlying basic earnings per share is calculated based on the Group's unaudited underlying profit, on a constant currency basis, attributable to owners of the Company for the six months ended 30 June 2018 of approximately HK$171,117,000 (30 June 2017: HK$136,465,000) and the weighted average number of shares of approximately 929,047,000 ordinary shares in issue during the six months ended 30 June 2018 (30 June 2017: 929,047,000 ordinary shares).

7. DIVIDENDS

(a) Dividends attributable to the interim period:

	For the six months ended 30 June	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interim dividend of HK8 cents per share declared (2017: HK7.6 cents)	**74,324**	70,608

The interim dividends for the six months ended 30 June 2018 have not been recognised as a liability at the end of the Reporting Period.

(b) Dividends attributable to the previous financial year:

	For the six months ended 30 June	
	2018	2017
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Final dividend in respect of the financial year ended 31 December 2017, approved and paid during the interim period, of HK7.3 cents per share (2017: HK3.3 cents per share in respect of the financial year ended 31 December 2016, approved and paid during the interim period)	**67,820**	30,659

8. TRADE AND OTHER RECEIVABLES

The general credit terms of the Group granted to its trade customers range from one month to three months. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the senior management. An aging analysis of trade receivables, based on the invoice date, net of allowances, is as follows:

	30 June 2018	31 December 2017
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Current to 30 days	**269,813**	403,524
31 to 90 days	**296,315**	278,245
Over 90 days	**160,414**	66,773
Trade receivables	**726,542**	748,542
Bills receivables	**90,425**	246,426
Other receivables – an associate	**85,136**	57,256
Other receivables – others	**13,413**	22,234
	915,516	1,074,458

9. TRADE AND OTHER PAYABLES

An aging analysis of trade payables, based on the date of invoices, is as follows:

	30 June 2018 (Unaudited) *HK$'000*	31 December 2017 (Audited) *HK$'000*
Current to 30 days	**148,444**	284,605
31 to 90 days	**209,823**	235,343
Over 90 days	**166,823**	135,259
Trade payables	**525,090**	655,207
Dividend payable	**10**	10
Other payables	**163,344**	173,950
	688,444	829,167

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

China Tobacco Industry

The China tobacco industry continued to improve in the first half of 2018. All performance metrics, which include turnover, sales and production volume growth, as well as profits and tax, registered single digit growth. It was also encouraging that such growth was broad based as 15 out of the top 17 cigarette brands registered growth during the Reporting Period. We have also observed a slight recovery in the sales of high-end cigarettes, which were particularly affected by the austerity measures of the Government. It has been a good half-year in general for the China tobacco industry.

Group Performance

For the Reporting Period, the Group's turnover reversed its declining trend in the past few years and registered a growth of 11%. The new acquisition of Outstanding Viewpoint Limited ("**OVL**") (which is the investment holding company of Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd.) had no impact on turnover, since the results of its operating associates were equity-accounted for and included in Share of profit of associates.

The Group's operating expenses were also maintained at a lower level after last year's substantial costs reduction. Together with the increased turnover and gross profit, as well as the additional profit contribution from OVL, underlying profit improved by 36.3% when compared to the first half of last year (or, excluding the additional profit contribution from OVL, an organic growth of 24.3%).

However, since Renminbi devalued against Hong Kong dollars over the Reporting Period, exchange loss of HK$21.8 million (same period in 2017: Exchange gain of HK$39.1 million) was incurred on the Group's Hong Kong dollar borrowings which led to a reduction of 6.5% in profit attributable to owners of the Company in the first half of 2018 when compared to the same period of last year.

The Board has declared an interim dividend of HK8 cents per share to shareholders.

FINANCIAL REVIEW

Turnover

During the Reporting Period, the Group's turnover increased by 11% from HK$1,094 million to HK$1,216 million. This was mainly due to the general improvement in the China tobacco market, which led to organic growth of the Group's existing business, as well as the additional contributions from various new products and markets developed.

Gross Profit

For the first half of 2018, overall gross profit margin was 30.1%, which was similar to that of the same period last year. The stable gross profit margin was contributed by a general improvement in product mix, which offset the impact of the reduction in selling prices as a result of tendering. Absolute value of gross profit was HK$366 million, increased by 11.7% when compared to the same period of last year.

Other Income

Other income, comprising mainly interest income, was HK$27.9 million (same period in 2017: HK$70.8 million). The significant decrease was mainly due to the absence of exchange gain of HK$39.1 million recognized in the same period last year derived from the revaluation of borrowings denominated in Hong Kong dollars against appreciating Renminbi, the Group's functional currency.

Operating Costs

Operating costs (comprising selling, marketing, distribution and administrative expenses) increased by HK$18.3 million from HK$95.6 million in the first half of 2017 to HK$113.9 million in the first half of 2018. The increase was in line with the increase in turnover.

Finance Costs

Finance costs increased from HK$29.2 million in the first half of 2017 to HK$38 million for the Reporting Period, as a result of an increase in interest rate and additional bank borrowings to finance the acquisition of Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd..

Share of Profit of Associates

Share of profit of associates increased to HK$34.2 million in the first half of 2018 from HK$5.2 million in the first half of 2017. The increase was mainly due to the additional profit contribution from Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd., which were acquired on 2 January 2018 as associates.

Taxation

The effective tax rate of the Group decreased from 28.4% in the first half of 2017 to 24.2% during the Reporting Period. The drop was mainly due to the fact that the share of profit of the two newly acquired associates, Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd., is shown net of taxes.

Profit Attributable to Owners of the Company

The Group achieved a profit attributable to owners of the Company of HK$164.1 million during the Reporting Period, representing a decrease of 6.5% as compared to HK$175.6 million in the first half of 2017. Excluding the exchange differences, and on a constant currency basis, the Group's underlying net profit increased by 25.4% to HK$171.1 million from HK$136.5 million. The increase was mainly due to organic growth of the Group's existing business, and the additional profit contribution from the newly acquired associates, Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd..

Segmental Information

During the Reporting Period, substantially all the turnover was derived from printing of cigarette packages.

Financial Position

As at 30 June 2018, total assets of the Group amounted to HK$6,809 million and its total liabilities amounted to HK$2,684 million, representing an increase of HK$370 million and HK$304 million, respectively as compared to 31 December 2017. Both total assets and total liabilities increased due to the acquisition of Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd., which was financed partly by bank borrowings during the Reporting Period.

Borrowings and Banking Facilities

As at 30 June 2018, the Group had gross interest-bearing borrowings of approximately HK$1,931 million (31 December 2017: HK$1,470 million), representing an increase of HK$461 million over the last year end. The increase was mainly due to the additional bank borrowings drawn for the acquisition of Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd. during the Reporting Period.

Substantially all interest-bearing borrowings are unsecured, denominated in Hong Kong dollars and bear interest at floating rates. The maturity profile of the Group's gross interest-bearing borrowings is as follows:

	30 June 2018 (Unaudited) ***HK$'000***	31 December 2017 (Audited) *HK$'000*
On demand or within one year	**3,547**	3,597
In the second year	**1,528,053**	–
In the third to fifth years, inclusive	**399,291**	1,466,760
	1,930,891	1,470,357
Less: Amount due for settlement within 12 months (shown under current liabilities)	**(3,547)**	(3,597)
Amount due for settlement after 12 months	**1,927,344**	1,466,760

As of 30 June 2018, the Group had committed but undrawn banking facilities amounting to HK$60 million (31 December 2017: HK$520 million).

Capital Structure

As at 30 June 2018, the Group had net assets of HK$4,125 million comprising non-current assets of HK$4,418 million, net current assets of HK$1,662 million and non-current liabilities of HK$1,955 million.

Gross gearing ratio, measured by total interest-bearing borrowings as a percentage of equity, increased from 36% as at 31 December 2017 to 47% as at 30 June 2018. The gross gearing ratio increased mainly due to the additional bank borrowings drawn for the acquisition of Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd. in January 2018.

Charges on the Group's Assets

As at 30 June 2018, assets with carrying amount of approximately HK$10 million (31 December 2017: HK$11 million) were pledged to the banks in respect of banking facilities granted to the Group.

Contingent Liabilities

As at 30 June 2018, the Group did not have any significant contingent liabilities (31 December 2017: Nil).

Capital Commitments

As at 30 June 2018, the Group had capital commitments contracted but not provided for in respect of acquisition of property, plant and equipment of HK$161 million (31 December 2017: HK$38 million).

Working Capital

The current ratio increased from 302% at last year end to 328% at 30 June 2018.

Foreign Currency Exposure

During the Reporting Period, the Group's business transactions were mainly denominated in Renminbi. All bank borrowings were denominated in Hong Kong dollars.

The Group has foreign currency exposure on Hong Kong dollars related to its bank borrowings. During the Reporting Period, the Group had entered into cross currency swap ("**CCS**") agreements with financial institutions for the purpose of hedging the foreign currency risk arising from the Hong Kong dollars denominated bank borrowings. Apart from the CCS arrangements, the Group does not have any derivative financial instruments or hedging instruments outstanding. The management will closely monitor its currency and interest rate exposures in order to implement suitable hedging policy as and when appropriate to minimize such risks.

Treasury Policies

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group.

MATERIAL ACQUISITION AND DISPOSAL

On 2 January 2018, the Group completed the acquisition of the entire issued share capital of OVL (which together with its subsidiaries and associates be collectively referred as "**the Target Group**") at a total cash consideration of HK$700,000,000. OVL is an investment holding company incorporated in the British Virgin Islands. The Target Group is principally engaged in the printing of high quality cigarette packages in the Yunnan Province and Anhui Province in the PRC, through its investments in Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd..

Save as disclosed, the Group had no other material acquisitions or disposals of subsidiaries and associated companies during the Reporting Period.

REMUNERATION POLICIES AND EMPLOYEE INFORMATION

As at 30 June 2018, the Group had 2,107 full time employees in Hong Kong and the PRC. Total staff costs (including directors' emoluments) amounted to HK$132 million (six months ended 30 June 2017: HK$131 million) for the Reporting Period. The Group's remuneration policies are consistent with the one that was disclosed in the annual report of the Company for 2017.

PROSPECTS

After years of uncertainty and turbulence, we observed that the China tobacco market had shown signs of recovery as all performance metrics registered growth in the first half of 2018 when compared to the same period of last year. With the new leadership of State Tobacco Monopoly Administration in place recently, we are cautiously optimistic about the prospects as the market is poised to continue the momentum in the second half of the year.

The Group had improved operating results in the first half of 2018. The management endeavours to deliver better results for the full year through various means, which include the continuous development of new markets and designs, efforts in containing costs and expenses and the integration of the newly acquired associates, Yunnan Qiaotong Package Printing Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd..

The devaluation of Renminbi against Hong Kong dollars led to the exchange losses during the Reporting Period. In view of the escalating volatility in the capital markets due to the looming trade war between United States and China, the management entered into additional CCS contract in order to hedge the currency and interest rates risks exposed by the Group. As of now, 42% of the Group's Hong Kong dollar borrowings were hedged by the CCS.

Despite the recent major acquisition, the financial position of the Group remains healthy. As such, the Board recommended an interim dividend of HK8 cents per share, which increased by 5% compared to same period last year.

Once again, we would like to take this opportunity to thank our shareholders and stakeholders for their unfailing support to the management in the challenging environments.

INTERIM DIVIDEND

The Board has declared an interim dividend of HK8 cents per share (2017: HK7.6 cents per share) for the Reporting Period to the shareholders of the Company whose names appear on the register of members of the Company at the close of business on 7 December 2018. The interim dividend will be paid on or about 14 December 2018.

CLOSURE OF REGISTER OF MEMBERS

To ascertain the shareholders' entitlement to the interim dividend, the register of members of the Company will be closed from Wednesday, 5 December 2018 to Friday, 7 December 2018 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for entitlement to the interim dividend for the Reporting Period, all transfers of shares of the Company accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Tuesday, 4 December 2018.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Reporting Period.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company continues to be committed to achieving high standards of corporate conduct and to place importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and protection of shareholders' interests.

The Board is of the view that the Company has met the code provisions set out in the Corporate Governance Code contained in Appendix 14 of the Listing Rules during the Reporting Period.

AUDIT COMMITTEE

The Audit Committee of the Company comprises the three independent non-executive directors of the Company, namely, Mr. Tay Ah Kee, Keith (Chairman of the Audit Committee), Mr. Au Yeung Tin Wah, Ellis and Mr. Oh Choon Gan, Eric. The Audit Committee has reviewed the accounting principles and practices adopted by the Company and discussed internal control and financial reporting matters with senior management relating to the preparation of the unaudited condensed consolidated financial statements of the Group for the Reporting Period. There is no disagreement raised by the Audit Committee on the accounting treatment adopted by the Company. The interim results for the Reporting Period are unaudited but certain agreed-upon procedures have been performed by the auditor of the Company in accordance with Hong Kong Standard on Related Services 4400 "Engagements to Perform Agreed-upon Procedures Regarding Financial Information" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") at the request of the Audit Committee. The agreed-upon procedures performed by the auditor did not constitute an assurance engagement performed in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and the auditor does not express any assurance on the interim results of the Company. The findings on the aforementioned "agreed-upon procedures" has been taken into consideration by the Audit Committee in its review of the interim results of the Reporting Period, which have been approved by the Board on 27 August 2018 prior to its issuance.

By Order of the Board
AMVIG Holdings Limited
Chan Chew Keak, Billy
Non-executive Chairman

Hong Kong, 27 August 2018

As at the date of this announcement, the Board comprised Mr. Chan Chew Keak, Billy as non-executive Chairman, Mr. Ge Su and Mr. Liu Shun Fai as executive Directors, Mr. Jerzy Czubak and Mr. Michael Casamento as non-executive Directors, and Mr. Tay Ah Kee, Keith, Mr. Au Yeung Tin Wah, Ellis and Mr. Oh Choon Gan, Eric as independent non-executive Directors.

* *For identification purposes only*