

News Release

15 March 2013

AMVIG Holdings Limited

AMVIG Holdings Limited today released its results for the year ended December 31, 2012.

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.

ENDS

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.



AMVIG HOLDINGS LIMITED

澳 科 控 股 有 限 公 司 *

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2300)

**RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012**

FINANCIAL HIGHLIGHTS

- Turnover increased by 6.7% to HK\$3,596 million
- Gross profit decreased by 5.1% to HK\$1,080 million
- Gross profit margin decreased from 33.8% to 30.0%
- Profit attributable to owners of the Company decreased by 24.1% from HK\$548 million to HK\$416 million
- Basic earnings per share decreased by 24.1% from HK59.3 cents to HK45.0 cents
- Final dividend proposed is HK9.2 cents per share. Together with an interim dividend of HK8.8 cents per share and a special dividend of HK108 cents, total dividends for the year was HK126 cents per share or HK\$1.163 billion

RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of AMVIG Holdings Limited (the “**Company**” or “**AMVIG**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 December 2012 (the “**Reporting Period**”), together with the comparative results for the previous year as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2012

	Note	2012 HK\$'000	2011 HK\$'000
Turnover	3	3,596,117	3,370,001
Cost of goods sold		<u>(2,516,036)</u>	<u>(2,231,325)</u>
Gross profit		1,080,081	1,138,676
Other income	4	58,901	53,323
Selling and distribution costs		(189,367)	(148,572)
Administrative expenses		(255,548)	(252,977)
Other operating expenses		(1,606)	(374)
Finance costs		(50,634)	(26,508)
Share of profit of associates		<u>50,960</u>	<u>60,788</u>
Profit before tax	5	692,787	824,356
Income tax expenses	6	<u>(238,684)</u>	<u>(242,906)</u>
Profit for the year		<u>454,103</u>	<u>581,450</u>
Attributable to:			
Owners of the Company		415,776	547,823
Non-controlling interests		<u>38,327</u>	<u>33,627</u>
Earnings per share			
– basic (HK cents)	7a	<u>45.0</u>	<u>59.3</u>
– diluted (HK cents)	7b	<u>N/A</u>	<u>N/A</u>
Dividends	8	<u>1,163,166</u>	<u>218,786</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*For the year ended 31 December 2012*

	2012 HK\$'000	2011 HK\$'000
Profit for the year	454,103	581,450
Other comprehensive income		
Exchange gain on translating foreign operations	10,282	178,030
Other comprehensive income for the year, net of tax	10,282	178,030
Total comprehensive income for the year	464,385	759,480
Attributable to:		
Owners of the Company	424,003	718,087
Non-controlling interests	40,382	41,393
	464,385	759,480

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*At 31 December 2012*

	<i>Note</i>	2012 HK\$'000	2011 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		720,207	623,019
Prepaid land lease payments		22,327	22,812
Goodwill		2,656,132	2,627,422
Interests in associates		138,360	145,763
Loan receivables		245,273	301,719
Available-for-sale financial assets		1,719	1,701
Other assets		61,112	91,223
		3,845,130	3,813,659
Current assets			
Inventories		477,249	416,101
Trade and other receivables	9	862,115	568,932
Prepaid land lease payments		735	727
Prepayments and deposits		45,638	46,811
Pledged bank deposits		14,516	–
Bank and cash balances		1,247,448	1,715,341
		2,647,701	2,747,912
Total assets		6,492,831	6,561,571
EQUITY			
Capital and reserves			
Share capital		9,231	9,231
Reserves		3,620,556	4,345,022
Equity attributable to owners of the Company		3,629,787	4,354,253
Non-controlling interests		200,653	190,834
Total equity		3,830,440	4,545,087
LIABILITIES			
Non-current liabilities			
Bank borrowings		1,547,599	769,260
Deferred tax liabilities		80,947	68,283
		1,628,546	837,543

	<i>Note</i>	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Current liabilities			
Trade and other payables	<i>10</i>	991,838	912,897
Current tax liabilities		42,007	48,714
Current portion of bank borrowings		–	217,330
		1,033,845	1,178,941
Total liabilities		2,662,391	2,016,484
Total equity and liabilities		6,492,831	6,561,571
Net current assets		1,613,856	1,568,971
Total assets less current liabilities		5,458,986	5,382,630

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 January 2012. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRSs, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention.

3. TURNOVER AND SEGMENT INFORMATION

The Group has two reportable segments under HKFRS 8 as follows:

- Printing of cigarette packages
- Manufacturing of transfer paper and laser film

The Group’s reportable segments are strategic business units that offer different products. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those of the Group.

Segment profits or losses do not include corporate administrative expenses. Segment assets do not include goodwill, loan receivables, available-for-sale financial assets, prepayments and deposits and other receivables for general administrative use. Segment liabilities do not include other payables and accruals for general administrative use.

Information about reportable segment profit, assets and liabilities:

	Printing of cigarette packages 2012 HK\$'000	Printing of cigarette packages 2011 HK\$'000	Manufacturing of transfer paper and laser film 2012 HK\$'000	Manufacturing of transfer paper and laser film 2011 HK\$'000	Total 2012 HK\$'000	Total 2011 HK\$'000
Year ended 31 December						
Revenue from external customers	3,557,164	3,333,193	38,953	36,808	3,596,117	3,370,001
Segment profit	690,310	782,758	12,447	7,261	702,757	790,019
Interest income	21,904	17,520	135	126	22,039	17,646
Depreciation and amortisation	(80,127)	(72,264)	(830)	(804)	(80,957)	(73,068)
Share of profit of associates	40,866	55,956	10,094	4,832	50,960	60,788
Income tax expenses	(185,216)	(190,315)	(463)	(524)	(185,679)	(190,839)
Additions to segment non-current assets	178,859	33,407	653	1,096	179,512	34,503
As at 31 December						
Segment assets	3,125,075	2,713,493	63,770	54,660	3,188,845	2,768,153
Segment liabilities	(977,480)	(684,108)	(1,734)	(1,432)	(979,214)	(685,540)
Interests in associates	107,078	120,000	31,282	25,763	138,360	145,763

Reconciliation of reportable segment profit or loss, assets and liabilities:

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Profit or loss		
Total profit or loss of reportable segments	702,757	790,019
Other profit or loss	(248,654)	(208,569)
Consolidated profit for the year	454,103	581,450
Assets		
Total assets of reportable segments	3,188,845	2,768,153
Goodwill	2,656,132	2,627,422
Loan receivables	245,273	301,719
Available-for-sale financial assets	1,719	1,701
Other assets	400,862	862,576
Consolidated total assets	6,492,831	6,561,571
Liabilities		
Total liabilities of reportable segments	(979,214)	(685,540)
Other liabilities	(1,683,177)	(1,330,944)
Consolidated total liabilities	(2,662,391)	(2,016,484)

Geographical information:

Over 90% of the Group's revenue and assets are derived from customers and operations based in the People's Republic of China ("PRC") and accordingly, no further analysis of the Group's geographical information is disclosed.

Revenue from major customers:

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Printing of cigarette packages		
Customer A	1,552,894	1,511,491
Customer B	623,198	604,580
Customer C	496,799	436,090
Customer D	276,521	348,511

4. OTHER INCOME

	2012 HK\$'000	2011 HK\$'000
Gain on sales of scrapped materials	4,676	4,580
Interest income	30,194	21,390
Compensation received	229	1,857
Government grants received		
– Unconditional grants relating to expenses item	3,503	6,912
Exchange gain	11,472	16,977
Sundry income	8,827	1,607
	<u>58,901</u>	<u>53,323</u>

5. PROFIT BEFORE TAX

The Group's profit before tax is stated after charging the following items:

	2012 HK\$'000	2011 HK\$'000
Cost of inventories sold	2,516,036	2,231,325
Depreciation	83,908	84,112
Loss on disposals of property, plant and equipment	2,767	8,688
Operating lease rentals in respect of land, buildings and equipment	25,476	26,030
Staff costs including Directors' emoluments	341,842	308,479
Research and development costs	225	312

6. INCOME TAX EXPENSES

	2012 HK\$'000	2011 HK\$'000
PRC corporate income tax		
– Current	187,635	193,109
– Under/(over) provision in prior year	311	(55)
Withholding tax	52,739	52,067
Other deferred tax	(2,001)	(2,215)
	<u>238,684</u>	<u>242,906</u>

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit for the years.

The relevant tax rates for the Group's PRC subsidiaries before the tax holiday range from 15% to 25% (2011: 15% to 25%).

7. EARNINGS PER SHARE

- (a) Basic earnings per share of HK45.0 cents (2011: HK59.3 cents) is calculated based on the profit attributable to the owners of the Company for the year of approximately HK\$415,776,000 (2011: HK\$547,823,000) and the weighted average number of shares of approximately 923,147,000 ordinary shares in issue during the year (2011: 923,147,000 shares).
- (b) No diluted earnings per share are presented as the Company did not have any potentially diluted ordinary shares during the two years ended 31 December 2012.

8. DIVIDENDS

The dividends paid during the year ended 31 December 2012 were approximately HK\$99,700,000 being final dividend of HK10.8 cents per share for year 2011, approximately HK\$81,237,000 being interim dividend of HK8.8 cents per share and approximately HK\$996,999,000 being special dividend of HK108 cents per share for year 2012. The dividends paid during the year ended 31 December 2011 were approximately HK\$105,239,000 being final dividend of HK11.4 cents per share for year 2010 and approximately HK\$119,086,000 being interim dividend of HK12.9 cents per share for year 2011. A final dividend of HK9.2 cents per share in respect of 2012, amounted to approximately HK\$84,930,000 is proposed by the Board subject to approval by the shareholders at the forthcoming Annual General Meeting. The proposed final dividends are not recognised as liabilities at 31 December 2012.

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Interim dividend paid of HK8.8 cents (2011: HK12.9 cents) per share	81,237	119,086
Special dividend of HK108 cents (2011: Nil) per share	996,999	–
Proposed final dividend of HK9.2 cents (2011: HK10.8 cents) per share	84,930	99,700
	<u>1,163,166</u>	<u>218,786</u>

9. 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:

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Current to 30 days	489,941	250,094
31 to 90 days	220,410	126,209
Over 90 days	14,528	17,639
Trade receivables	724,879	393,942
Bills receivables	69,586	55,772
Other receivables – an associate	56,150	55,541
Other receivables – others	11,500	63,677
	<u>862,115</u>	<u>568,932</u>

10. TRADE AND OTHER PAYABLES

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

	2012 HK\$'000	2011 HK\$'000
Current to 30 days	302,935	207,577
31 to 90 days	257,400	179,657
Over 90 days	28,431	11,821
Trade payables	588,766	399,055
Bills payables – secured	15,824	–
Current portion of other long-term payables	–	235,082
Other payables	387,248	278,760
	991,838	912,897

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Driven by the steady grow of tobacco consumption and continuous consolidation of the tobacco industry in China, the Group continued to sustain a growth in turnover for the year ended 31 December 2012.

However, in response to the implementation of tendered price throughout the year, the Group has focused to increase its organic growth to cushion the drop in selling prices, resulted in a drop in profit attributable to owners of the Company by 24.1% when compared to last year.

In response to the aggressive implementation of tendering system of tobacco groups, the Group has rolled out profit-improvement-programs (“PIP”), which sets specific targets for management to reduce production costs, improve efficiencies and benchmark the results across the plants within the Group. In addition, capital expenditures, including three new printing presses, were incurred during the year. Such investments increased the capacity of the Group in order to cope with the growing demand and increased sales volume. It will also help to improve production efficiencies by reducing wastages. The management will continue to monitor the market trends and will not hesitate to install more state-of-the-art machines to accommodate the pace and demand for future development.

The effective management and operation of the Group’s eight production plants across the PRC would not be achievable without an effective management and control system. In addition to the abovementioned PIP, operational efficiency of each production plant was enhanced through operational and capital discipline review and the setup of raw material purchase database. Going forward, leverage on the support and experience of the Company’s largest shareholder, Amcor Limited, coupled with the strong customer network developed by the Group over the years, the management aims to enhance the management system to effectively and efficiently counteract the adverse market conditions, and at the same time, move the Group forward.

MAJOR DEVELOPMENT

In August 2012, the Company obtained a term loan facility and a revolving loan facility respectively, from various financial institutions amounting to HK\$2 billion in total. The loan facilities were used to refinance the HK\$900 million term loan facility granted to the Company in 2010 in full and thereafter finance the general corporate purposes of the Company.

FINANCIAL REVIEW

Turnover

During the Reporting Period, the Group has achieved a solid growth in turnover, which increased by 6.7% from HK\$3,370 million to HK\$3,596 million. This growth was a result of the Group's continuous effort in gaining volume and market share through organic means.

Gross Profit

During the Reporting Period, the overall gross profit margin was 30.0%, representing a drop of 3.8 percentage points when compared to 33.8% achieved in 2011. The decline in gross profit margin was mainly due to lower average selling prices in order to win orders under the tendering system. Gross profit amount reduced slightly from HK\$1,139 million to HK\$1,080 million.

Other Income

Other income recorded moderate growth due to more interest income earned on increased cash balance.

Operating Costs

Operating costs (including administrative expenses, selling and distribution costs and other operating expenses) increased by HK\$45 million from HK\$402 million in 2011 to HK\$447 million in 2012. Operating costs expressed as a percentage of turnover increased marginally from 11.9% in 2011 to 12.4% in 2012. The increase in operating costs was mainly due to more selling expenses incurred to secure marketing networks and distribution channels, resulting in growth in turnover.

Finance Costs

Finance costs increased from HK\$26.5 million in 2011 to HK\$50.6 million in 2012. The increase was mainly due to an increase in bank borrowings and borrowing interest rates.

Share of Profit of Associates

Share of profit of associates decreased from HK\$60.8 million in 2011 to HK\$51.0 million in 2012. The decline was mainly due to lower average selling prices as a result of tendering of its products.

Taxation

The effective tax rate of the Group rose by 5 percentage points from 29.5% in 2011 to 34.5% in 2012. This was mainly due to the non-tax deductibility of certain selling expenses incurred for market development during the Reporting Period.

Profit attributable to Owners of the Company

The Group achieved a profit attributable to owners of the Company of HK\$416 million during the Reporting Period, representing a decrease of 24.1% from HK\$548 million in 2011. The decrease was mainly due to a drop in gross profit margin as a result of aggressive tendering adopted by certain tobacco groups and more expenses incurred to support organic growth.

Segmental Information

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

Dividends

The Board recommended the payment of a final dividend of HK9.2 cents per share for the year ended 31 December 2012 (2011: HK10.8 cents) to be payable to the shareholders of the Company whose names appear on the register of members of the Company as at 21 June 2013. Subject to the approval of the Company's shareholders at the forthcoming Annual General Meeting of the Company, the said final dividend will be paid to the Company's shareholders around 31 July 2013.

Financial Position

As at 31 December 2012, total assets of the Group amounted to HK\$6,493 million and its total liabilities amounted to HK\$2,662 million, representing a decrease of HK\$69 million and an increase of HK\$646 million, respectively as compared to 31 December 2011. The decrease in total assets was mainly due to the payment of special dividend amounted to HK\$997 million in September 2012. The increase in total liabilities was mainly due to an increase in bank borrowings with a view to rationalize the capital structure of the Group.

Borrowings and Banking Facilities

As at 31 December 2012, the Group has gross interest-bearing borrowings of approximately HK\$1,548 million (31 December 2011: HK\$987 million), representing an increase of HK\$561 million over the previous year. The increase was mainly due to an increase in bank borrowings with a view to rationalize the capital structure of the Group.

All of the 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 follow:

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
On demand or within one year	–	217,330
In the second year	425,312	769,260
In the third to fifth years, inclusive	1,122,287	–
	1,547,599	986,590
Less: Amount due for settlement within 12 months (shown under current liabilities)	–	(217,330)
Amount due for settlement after 12 months	1,547,599	769,260

As of 31 December 2012, the Group had committed but undrawn banking facilities amounted to HK\$420 million (31 December 2011: Nil).

Capital Structure

As of 31 December 2012, the Group had net assets of HK\$3,830 million comprising non-current assets of HK\$3,845 million (including property, plant and equipment of HK\$720 million, prepaid land lease payments of HK\$22 million, goodwill of HK\$2,656 million, interests in associates of HK\$139 million, loan receivables HK\$245 million, available-for-sale financial assets of HK\$2 million and other assets of HK\$61 million), net current assets of HK\$1,614 million and non-current liabilities of HK\$1,629 million.

Gearing ratio, measured by total interest-bearing borrowings as a percentage of equity, increased from 21.7% as of 31 December 2011 to 40.4% as of 31 December 2012. Such increase was primarily due to the increase in bank borrowings and the payment of special dividend in September 2012, with a view to rationalize the Group's capital structure.

Charges on the Group's Assets

As at 31 December 2012, assets with carrying amount of approximately HK\$15 million (31 December 2011: Nil) were pledged to bank in respect of banking facilities granted to the Group.

Contingent Liabilities

As at 31 December 2012, the Group did not have any significant contingent liabilities (31 December 2011: Nil).

Capital Commitments

As at 31 December 2012, the Group had capital commitments contracted but not provided for in respect of acquisition of property, plant and equipment of HK\$20 million (31 December 2011: HK\$65 million).

Working Capital

The current ratio increased marginally from 233% at last year end to 256% at 31 December 2012 due to the increase in trade receivables, together with the refinancing of bank loans in September 2012, which results in the reclassification of the bank borrowings from current to long-term liabilities.

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 does not have significant foreign currency exposure.

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.

Prospects

We observed that the tobacco companies continued to fine tuning the tendering system throughout 2012. The revised system puts more weight on the abilities and capabilities of the suppliers. As a leader in the industry, AMVIG will benefit from such changes. In addition, the Group will put more efforts in research and development, which aims at creating new designs for tobacco groups on one hand, and reduce costs and process leakages on the other. All these efforts will produce improvements in profitability.

We expect the operational environment in tobacco packaging industry to remain challenging in the coming year. Nevertheless, AMVIG will strive to maintain its leading position in the industry and commit to the highest level of product quality. We will continue to maintain our dual-growth strategy to grow our business. With a strong financial position, AMVIG is poised to further pursue business and acquisition opportunities arising from the ongoing consolidation of tobacco industry.

Management would like to take this opportunity to show our appreciation to the great support of all the shareholders and customers. We would also like to extend our gratitude to our Board members, management team and all staff for their continuous dedication, commitment and contribution to the development of the Group during this turbulent time. The Group will strive to overcome the difficulties and challenges ahead to create higher return to our shareholders.

REMUNERATION POLICIES AND EMPLOYEE INFORMATION

As at 31 December 2012, the Group had 2,596 full time employees in Hong Kong and the PRC. Total staff costs (including Directors' emoluments and employee share-based compensation benefits) amounted to approximately HK\$342 million (2011: HK\$308 million) for the year. All full time salaried employees, except for factory workers and contract employees, are being paid on a monthly basis, plus a discretionary performance bonus. Factory workers are being remunerated based on a basic wage plus production incentive. The Group ensures that the pay levels of its employees are competitive and employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system. In addition to salaries, the Group provides staff benefits including medical insurance and contributions to staff's provident fund. Share options, awards and bonuses are also available to employees of the Group at the discretion of the Board and depending upon the financial performance of the Group.

SUPPLEMENTARY INFORMATION

Purchase, sale or redemption of the Company's listed securities

The Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company during the Reporting Period.

Closure of register of members

The register of members of the Company will be closed during the following periods:

1. from Friday, 7 June 2013 to Tuesday, 11 June 2013 (both days inclusive), during which period no transfers of shares will be registered, for ascertaining shareholders' entitlement to attend and vote at the forthcoming Annual General Meeting to be held on or about Thursday, 13 June 2013. In order to be eligible to attend and vote at the forthcoming Annual General Meeting, all transfer shares of the Company accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:00 p.m. on Thursday, 6 June 2013; and

2. from Thursday, 20 June 2013 to Friday, 21 June 2013 (both days inclusive), during which period no transfers of shares will be registered, for ascertaining shareholders' entitlement to receive the proposed final dividend for the year ended 31 December 2012. In order to be eligible to receive the proposed final dividend, all transfer shares of the Company accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:00 p.m. on Wednesday, 19 June 2013.

Corporate governance

The Company continues to be committed to meet the requirements of the corporate code of governance 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, comprising the three independent non-executive Directors, namely Mr. Tay Ah Kee, Keith (Chairman of the Audit Committee), Mr. Au Yeung Tin Wah, Ellis and Mr. Oh Choon Gan, Eric, has reviewed with senior management of the Group and external auditors the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting process including the review of the Company's consolidated financial statements for the Reporting Period.

Preliminary announcement of the results agreed by Auditors

The figures in respect of this preliminary announcement of the Group's results for the year ended 31 December 2012 have been agreed by the Group's auditors, RSM Nelson Wheeler, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2012. The work performed by RSM Nelson Wheeler 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 RSM Nelson Wheeler on the preliminary announcement.

By the order of the Board
AMVIG Holdings Limited
Chan Chew Keak, Billy
Chairman

Hong Kong, 14 March 2013

As at the date of this announcement, the Board comprised Mr. Chan Chew Keak, Billy as non-executive Chairman, Mr. Chan Sai Wai, Mr. Ng Sai Kit and Mr. Ge Su as executive Directors, Mr. Jerzy Czubak and Mr. Ralf Klaus Wunderlich 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 purpose only