THE CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in AMVIG Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser or the transferee.

AMVIG HOLDINGS LIMITED

澳 科 控 股 有 限 公 司 *

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2300)

(1) MAJOR TRANSACTION; AND (2) NOTICE OF EGM

A notice convening an extraordinary general meeting of the Company to be held at Room 601-602, 6th Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong on Thursday, 28 December 2017 at 2:30 p.m. is set out on pages 66 to 67 of this circular. A form of proxy for use at the extraordinary general meeting is also enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk.

Whether or not you are able to attend the extraordinary general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the extraordinary general meeting or any adjournment thereof should you so wish.

* *for identification purpose only*

8 December 2017

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In this circular, unless the context other requires, the following expressions shall have the following meanings:

"Acquisition"	the proposed acquisition of the Sale Share and the Sale Loan by the Purchaser under the Sale and Purchase Agreement
"associate(s)"	the entities over which the Target Group has significant influence and accounted for in the consolidated financial statements by the equity method
"Board"	the board of Directors
"Business Day"	a day (other than a Saturday, Sunday or public holiday in Hong Kong) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
"BVI Companies"	Designer Global Group Limited and Easyfield Pacific Limited, both being companies incorporated in the British Virgin Islands which are wholly-owned by the Target Company
"Company"	AMVIG Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on the main board of the Stock Exchange (stock code: 2300)
"Completion"	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement
"Completion Date"	the date on which the Completion shall take place, being a Business Day falling within seven Business Days from the date on which all the conditions specified in the Sale and Purchase Agreement have been fulfilled (or waived as the case may be), or such other date as may be agreed between the Vendor and the Purchaser in writing
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Directors"	the directors of the Company
"EGM"	the extraordinary general meeting of the Company to be convened to approve, amongst others, the Sale and Purchase Agreement and the transactions contemplated thereunder

"Enlarged Group"	the Group as enlarged by the Target Group immediately after Completion
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Latest Practicable Date"	6 December 2017, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Non-PRC Companies"	the Target Company, the BVI Companies, Ever Honest Industries Limited and Gainful Investments Limited
"PRC"	People's Republic of China, which for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan
"PRC Companies"	all companies within the Target Group other than the Non-PRC Companies
"Purchaser"	AMVIG Investment Limited, a company incorporated in Hong Kong and a wholly owned subsidiary of the Company and the purchaser under the Sale and Purchase Agreement
"Sale and Purchase Agreement"	the conditional sale and purchase agreement dated 22 September 2017 (as supplemented on 30 November 2017) entered into among the Vendor, the Purchaser, the Company and Tesson in relation to the Acquisition
"Sale Loan"	all obligation, indebtedness and liabilities due, owing or incurred by the Target Group to the Vendor as at Completion, whether actual, contingent or deferred and irrespective whether or not the same is due and payable on Completion
"Sale Share"	one share of US$1.00 in the share capital of the Target Company, representing the entire issued share capital thereof

"SFO"	the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holders of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Outstanding Viewpoint Limited, a company incorporated in the British Virgin Islands which is wholly-owned by the Vendor immediately before Completion
"Target Group"	the Target Company and its subsidiaries and associates
"Tesson"	Tesson Holdings Limited, a company incorporated in Bermuda with limited liability whose issued shares are listed on the main board of the Stock Exchange (stock code: 1201)
"Vendor"	Kith Limited, a company incorporated in the British Virgin Islands and a wholly owned subsidiary of Tesson
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"RMB"	Renminbi, the lawful currency of the PRC
"US$"	United States dollar(s), the lawful currency of the United States of America
"sq.m"	square metres
"%"	per cent.

The exchange rate of US$1.00 to HK$7.80 is used in this circular for illustration purpose only. No representation is made that any amounts in HK$ or US$ could be converted at such rate or any other rates.

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

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2300)

Non-executive Chairman:
Mr. Chan Chew Keak, Billy

Executive Directors:
Mr. Ge Su *(Chief Executive Officer)*
Mr. Liu Shun Fai

Non-executive Directors:
Mr. Jerzy Czubak
Mr. Michael Casamento

Independent non-executive Directors:
Mr. Tay Ah Kee, Keith
Mr. Au Yeung Tin Wah, Ellis
Mr. Oh Choon Gan, Eric

Registered Office:
Century Yard
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Hutchins Drive
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Cayman Islands
British West Indies

Head office and principal place of business in Hong Kong:
Room 601-602, 6th Floor
COFCO Tower
262 Gloucester Road
Causeway Bay
Hong Kong

8 December 2017

To the Shareholders

Dear Sir or Madam,

(1) MAJOR TRANSACTION; AND
(2) NOTICE OF EGM

INTRODUCTION

On 22 September 2017, the Board announced that the Group entered into the Sale and Purchase Agreement on 22 September 2017 whereby it has conditionally agreed to purchase the Sale Share and the Sale Loan at a total cash consideration of HK$700,000,000.

The purpose of this circular is to provide you with further details of the Sale and Purchase Agreement, the financial and general information of the Group, the financial information of the Target Group, the unaudited pro forma financial information of the Enlarged Group, and the notice of EGM.

* *for identification purpose only*

SALE AND PURCHASE AGREEMENT

Date: 22 September 2017 (as supplemented on 30 November 2017)

Parties:

(1) The Purchaser, being a wholly-owned subsidiary of the Company;

(2) The Vendor, being a wholly owned subsidiary of Tesson;

(3) The Company, being the guarantor of the Purchaser; and

(4) Tesson, being the guarantor of the Vendor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and Tesson (including their respective ultimate beneficial owners) are third parties independent of the Company and its connected persons.

Assets to be acquired

(i) the Sale Share, being one share of US$1.00 in the issued share capital of the Target Company, representing the entire issued share capital thereof; and

(ii) the Sale Loan, being, all obligation, indebtedness and liabilities due, owing or incurred by the Target Group to the Vendor as at Completion, whether actual, contingent or deferred and irrespective whether or not the same is due and payable on Completion.

Consideration

The aggregate consideration for the Acquisition is HK$700,000,000 which shall be paid by the Purchaser in the following manner:

(1) a sum of HK$30,000,000 within two Business Days after the signing of the Sale and Purchase Agreement as a refundable deposit, which shall be escrowed and to be applied towards the part payment of the consideration at Completion; and

(2) a sum of HK$670,000,000 at Completion.

The consideration has been negotiated between the parties on an arm's length basis and takes into account various factors including the profitability, net asset value, market position and the future growth potential of the Target Group.

As at 31 August 2017, the audited net asset value attributable to an equity holder of the Target Group was approximately HK$221.6 million which mainly comprised related company current account balances resulted from a group restructuring carried out by the Target Group in previous years. However, such audited net asset value was stated at net book value and does not reflect the actual value of the Target Group. Pursuant to the Sale and Purchase Agreement, all rights and obligations over such intercompany receivables and payables, with a net credit total balance as at 31 August 2017 of approximately HK$204.9 million, will be assigned to the Purchaser at Completion as the Sale Loan. Excluding the Sale Loan in the sum of approximately HK$204.9 million, the total net asset value acquired by the Purchaser will be approximately HK$426.5 million.

In addition to the above, the value of the Target Group also lies in its business relationship with the Hongta group, a well-known tobacco manufacturing group with a prominent market position in the PRC. The Hongta group has been a consistent and stable source of business to the Target Group for a long time and it is expected to continue after completion of the Acquisition. Zhaotong People's Government has been supportive in the development of business of the Target Group in order to ensure stable tax revenue and employment in Zhaotong City. As such, the Group expects strong prospects for future growth for the Target Group. It is expected that the Group will have a good and cooperative relationship with the Target Group, allowing it to growing its business in the PRC and benefit from the well-established business relations of the Target Group with the Hongta group and the support from the Zhaotong People's Government, thereby expanding its market presence in the PRC.

Although the Group will not have a majority board control over the PRC Companies, upon completion of the Acquisition, the Group will have significant influence over the Target Group's associates, including Yunnan Qiaotong Package Printing Co., Ltd., which is one of the most renowned tobacco packaging companies in Yunnan, the PRC. As mentioned above, the Hongta group has been a consistent and stable source of business to the Target Group for a long time and Zhaotong People's Government has been supportive in the business of the Target Group. Further, the results of the PRC Companies will be equity accounted for in the books of the Company and the Target Group will be contributing the same amount to the net profit attributable to owners of the Company (i.e. the bottom line) as if the results of the PRC Companies had been consolidated into the books of the Company with non-controlling interest deducted.

Considering the fact that certain properties of the Target Group were stated at net book value and taking into account the future growth prospects and earnings capability of the Target Group, strategic advantages which the Acquisition could bring forth for the Group as a result of the expansion in production size, geographical coverage of the subsidiaries, potential optimisation of economies of scale, widening of customer and supplier base, and the commercial reasons set out above and in the paragraph headed "Reasons for the Acquisition" below, the Directors consider that the Acquisition is earnings accretive to the Group and that the consideration of HK$700 million for the Acquisition is fair and reasonable. The deposit was funded by the internal resources of the Group.

Conditions precedent

Completion is conditional upon the satisfaction (or waiver, as the case may be) of the following conditions:

(1) the Shareholders (or where appropriate, the independent Shareholders) passing at the EGM the resolutions approving the Sale and Purchase Agreement and the transactions contemplated thereunder and the Company having complied with all requirements under the Listing Rules or as required by the Stock Exchange in relation to the transactions contemplated under the Sale and Purchase Agreement;

(2) the shareholders of Tesson (or where appropriate, its independent shareholders) passing at the special general meeting of Tesson the resolutions approving the Sale and Purchase Agreement and the transactions contemplated thereunder and Tesson having complied with all requirements under the Listing Rules or as required by the Stock Exchange in relation to the transactions contemplated under the Sale and Purchase Agreement;

(3) all other necessary consents, authorisations, licences and approvals for or in connection with the sale and purchase of the Sale Share and the Sale Loan required to be obtained on the part of the Vendor or Tesson or any member of the Target Group having been obtained and remain in full force and effect;

(4) all other necessary consents, authorisations, licences and approvals for or in connection with the sale and purchase of the Sale Share and the Sale Loan required to be obtained on the part of the Purchaser or the Company having been obtained and remain in full force and effect;

(5) the due diligence conducted by the Purchaser not showing any variance of the revenue, net profit after tax, or net assets of the principal operating PRC companies within the Target Group as compared to their respective figures in their audited accounts for the two years ended 31 December 2016 and the management accounts for the six months ended 30 June 2017 by 20% or more; and

(6) there being no event(s) or circumstance(s) occurring from the date of the Sale and Purchase Agreement and up to Completion which has/have an adverse effect to the business, financial condition, results of operation, assets or liabilities of any member of the Target Group or the Target Group as a whole that result(s) or will result in a direct loss of HK$10,000,000 or above individually or HK$30,000,000 or above collectively to any member of the Target Group or the Target Group as a whole.

The Purchaser may at any time waive in writing the conditions set out in conditions (5) and (6) above. It is not uncommon for sale and purchase agreements to incorporate conditions precedent such as conditions (5) and (6) which can be waived by the Purchaser if it so wishes because these two conditions involve purely commercial consideration. The provision of the right to waive such conditions provides flexibility for the Purchaser in considering its position based on due diligence results and events subsequent to the signing of the Sale and Purchase Agreement and up to Completion. The Purchaser does not have any present intention to exercise its right to waive such conditions precedent and would only do so under very exceptional circumstances. If any of the above conditions precedent are not fulfilled (or, as the case may be, waived by the Purchaser) on or before 31 December 2017 (or such later date as may be agreed between the Vendor and the Purchaser in writing), the Sale and Purchase Agreement shall cease and determine in which event:

(a) if the Sale and Purchase Agreement ceases and determines as a result of non-fulfilment of the above condition (2) and/or condition (3), the deposit paid by the Purchaser shall be returned to the Purchaser and the Vendor shall pay to the Purchaser a sum of HK$30,000,000 as liquidated damages; or

(b) if the Sale and Purchase Agreement ceases and determines as a result of the non-fulfilment of the above condition (1) and/or condition (4), the deposit paid by the Purchaser shall be forfeited by the Vendor; or

(c) if the Sale and Purchase Agreement ceases and determines as a result of non-fulfilment of the above condition (5) and/or condition (6), the deposit paid by the Purchaser shall be returned to the Purchaser,

and neither party shall have any obligations and liabilities thereunder save for any antecedent breaches of the terms thereof.

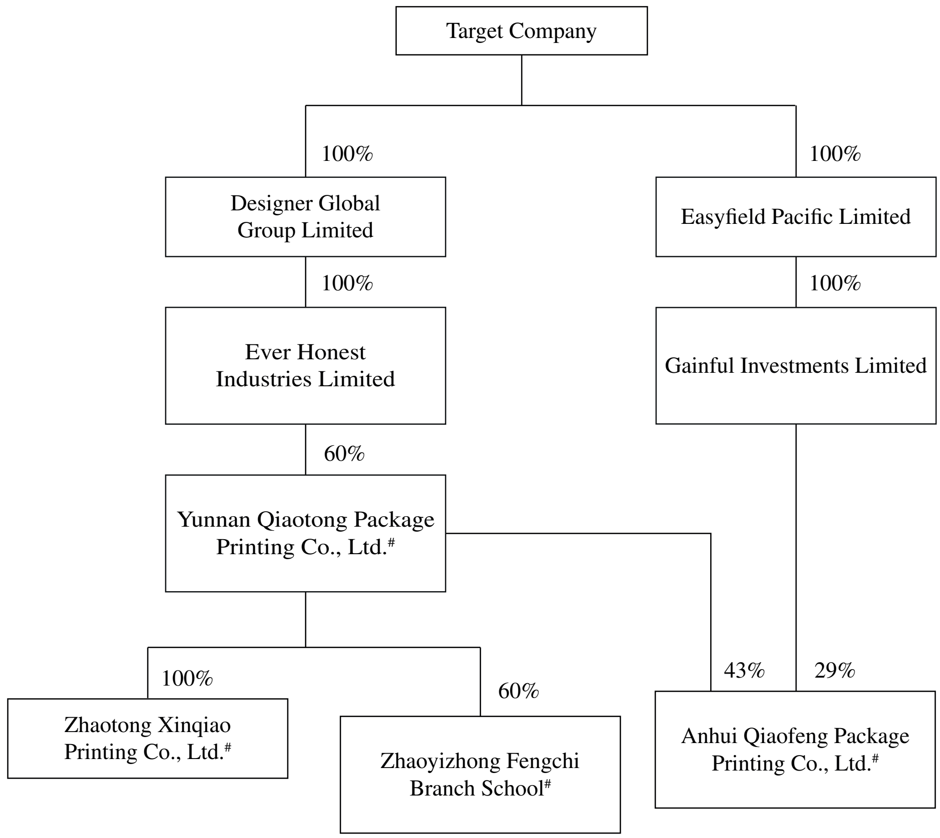
As at the Latest Practicable Date, conditions 2, 3, 5 and 6 above have been fulfilled.

Completion

Completion shall take place on the date falling within seven Business Days after all the conditions precedent mentioned above have been fulfilled (or waived as the case may be).

INFORMATION ON THE TARGET GROUP

The Target Company 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. The simplified group structure of the Target Group is as follows:



The English translation of Chinese names are included for information purpose only, and should not be regarded as the official English translation of such Chinese names.

The Target Group is one of the top cigarette package printing groups in the PRC principally engaged in the design and printing of cigarette packages, which include major brands of cigarettes in the PRC including Yunyan, Hongtashan, Honghe and Yuxi. The customers of the Target Group for cigarette packages are mainly large state-owned cigarette manufacturers in the PRC. The Target Group has two major cigarette package printing factories, details of which are set out below:

Location	Principal activities	Area (approximate)	Number of workers (at the end of 2016)	Production capacity (approximate figure at the end of 2016)
Zhaotong, Yunnan Province, the PRC	Production of cigarette packages	49,610 sq.m	596	1 million master cases

Location	Principal activities	Area (approximate)	Number of workers (at the end of 2016)	Production capacity (approximate figure at the end of 2016)
Chuzhou, Anhui Province, the PRC	Production of cigarette packages	17,843 sq.m	203	400,000 master cases

The following is a summary of the audited financial results of the Target Group for each of the two years ended 31 December 2016 and the eight months ended 31 August 2017 based on the accountants' report set out in Appendix II to this circular:

	Year ended 31 December		Eight months ended 31
	2015	**2016**	**August 2017**
	HK$' million	*HK$' million*	*HK$' million*
	(Audited)	*(Audited)*	*(Audited)*
Profit before tax	45.1	42.5	33.0
Net profit after tax	45.0	41.3	30.1

As at 31 August 2017, the audited net asset value attributable to an equity holder of the Target Group was approximately HK$221.6 million which mainly comprised related company current account balances resulted from a group restructuring carried out by the Target Group in previous years. Pursuant to the Sale and Purchase Agreement, all rights and obligations over such intercompany receivables and payables, with a net credit total balance as at 31 August 2017 of approximately HK$204.9 million, will be assigned to the Purchaser at Completion as the Sale Loan. Excluding the Sale Loan in the sum of approximately HK$204.9 million, the total net asset value acquired by the Purchaser will be approximately HK$426.5 million.

MANAGEMENT DISCUSSION AND ANALYSIS OF THE RESULTS OF THE TARGET GROUP

Set out below is the management discussion and analysis of the results of the Target Group for the three years ended 31 December 2014, 2015 and 2016, together with the eight months ended 31 August 2017.

Business Overview

The Target Group is one of the top cigarette package printing groups in the PRC principally engaged in the design and printing of cigarette packages, which include major brands of cigarettes in the PRC such as Yunyan, Hongtashan, Honghe and Yuxi. The customers of the Target Group for cigarette packages are mainly large state-owned cigarette manufacturers in the PRC. The Target Group has two major cigarette package printing factories, namely Yunnan Qiaotong Package Printing Co., Ltd. ("**Qiaotong Plant**") and Anhui Qiaofeng Package Printing Co., Ltd. ("**Qiaofeng Plant**").

Financial Overview

For the three years ended 31 December 2014, 2015 and 2016 and the eight months ended 31 August 2017, the administrative expenses of the Target Group were HK$2.5 million, HK$3.6 million, HK$4.0 million and HK$2.2 million, respectively. These administrative expenses mainly represent salaries and other operating costs of the head office of the Target Group. The increase in administrative expenses over the years was primarily driven by the increase in staff cost and rental expenses due to increase in operations.

For the three years ended 31 December 2014, 2015 and 2016 and the eight months ended 31 August 2017, the share of results of associates were HK$32.5 million, HK$48.7 million, HK$47.3 million and HK$36.2 million, respectively. The increase in the share of results of associates from the year ended 31 December 2014 to the year ended 31 December 2015 was mainly due to (i) the increase in turnover to cigarette customers for Qiaotong Plant from HK$521.8 million to HK$592.0 million; (ii) an increase in other income for Qiaotong Plant and Qiaofeng Plant by HK$2.6 million and HK$2.1 million, respectively; and (iii) a reduction in administrative expenses for both Qiaotong Plant and Qiaofeng Plant. There was a slight decrease in the share of results of associates from the year ended 31 December 2015 to the year ended 31 December 2016. Although the turnover of Qiaotong Plant had increased in 2016 compared to 2015, gross profit and gross profit rate dropped as certain orders were subcontracted to other parties in the fourth quarter of 2016 when Qiaotong Plant was being relocated from the old premises to its current premises.

Share of results of associates for the eight months ended 31 August 2017 was higher than that of the corresponding period in the previous year by approximately HK$3.7 million. Despite the fact that Qiaotong Plant's sales was affected during the period due to destocking from customers in the first half of 2017 resulted in the decrease in turnover by approximately HK$43.6 million, there was a decrease in administrative expenses in the current period which led to an increase in net profit as compared to the corresponding period in the previous year. In addition, there was an increase in turnover and net profit in Qiaofeng Plant.

For the three years ended 31 December 2014, 2015 and 2016 and the eight months ended 31 August 2017, the Target Group's net profit after tax was HK$29.8 million, HK$45.0 million, HK$41.3 million and HK$30.1 million, respectively. There was a year-on-year growth in the net profit for the year ended 31 December 2015 mainly due to an increase in the share of results of associates as explained above. The amount increased for the eight months ended 31 August 2017 due to a decrease in administrative expenses and an increase in the share of results of associates, which were partly offset by the increase in finance costs to related company and higher income tax expenses.

Income tax expenses for the Target Group comprised withholding tax for dividend remitted from the associates. The Target Group did not generate any assessable profit in Hong Kong and there were no profit tax expenses recognised during the respective year/period under review.

The following table shows a reconciliation of reported profit and the underlying profit for each of the three years ended 31 December 2016 and the eight months ended 31 August 2016 and 31 August 2017, respectively of the Target Group, excluding non-recurring items post acquisition and currency impact between HK$ and RMB.

	For the year ended 31 December			For the eight months ended 31 August	
	2014	**2015**	**2016**	**2016**	**2017**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Reported profit for the year	29,835	45,035	41,267	28,076	30,145
Excluding non-recurring items post acquisition					
– Administrative expenses	2,510	3,581	4,036	3,555	2,185
– Finance costs	–	–	793	267	1,048
	32,345	48,616	46,096	31,898	33,378
Constant currency variance*	(2,174)	(2,574)	438	(317)	1,127
Underlying profit on constant currency basis	30,171	46,042	46,534	31,581	34,505

* *translated at current RMB exchange rate 1.177*

It should be noted that the underlying profit of the Target Group in constant currency terms was stable and has been increasing over the reporting years/period above.

Capital Structure, Liquidity and Financial Resources

(i) Target Group

The Target Group's daily operations and capital expenditures are mainly funded by internally generated funds and shareholder's loans (recorded as amount due to ultimate holding company). The shareholder's loans will be assigned to the Purchaser upon Completion. As at 31 December 2014, 2015 and 2016 and 31 August 2017, the net current liabilities of the Target Group amounted to HK$267 million, HK$248.9 million, HK$232.2 million and HK$209 million, respectively, and the total equity of the Target Group amounted to HK$128.5 million, HK$149 million, HK$163.2 million and HK$221.6 million, respectively.

The amount due from immediate holding company increased from HK$29.6 million as at 31 December 2014 to HK$52.1 million as at 31 December 2015 mainly due to the group restructuring of Tesson and its subsidiaries in 2015, upon which the balances due from certain fellow subsidiaries amounted to HK$22.4 million were transferred as amount due from immediate holding company of the Target Group. Correspondingly, the amount due from fellow subsidiaries decreased from HK$22.8 million as at 31 December 2014 to HK$0.6 million as at 31 December 2015.

The net current liabilities of the Target Group which amounted to HK$209 million as at 31 August 2017 mainly comprised related company current account balances resulted from a group restructuring carried out by the Target Group in previous years. Pursuant to the Sale and Purchase Agreement, all rights and obligations over such intercompany receivables and payables, with a net credit total balance as at 31 August 2017 of approximately HK$204.9 million, will be assigned to the Purchaser at Completion as the Sale Loan. Excluding the Sale Loan, the Target Group had a net current asset balance of HK$4.9 million as at 31 August 2017, mainly representing the current assets and liabilities at the holding companies level of the Target Group.

In addition, as disclosed in the notes to the accountants' report set out in Appendix II to this circular, the Target Group's two major operating associates, namely Yunnan Qiaotong Package Co., Ltd. and Anhui Qiaofeng Package Printing Co., Ltd., had a net current asset balance as at 31 August 2017 of HK$155.1 million and HK$71.5 million, respectively. As the net current liabilities of the Target Group as at 31 August 2017 were mainly due to the Sale Loan, which will be assigned to the Purchaser upon Completion, and the Purchaser has no intention to request for settlement of the Sale Loan after Completion unless the Target Group has sufficient fund to repay all of its other debts, the Directors considered that there is no significant doubt on the Target Group's ability to continue as a going concern.

As at 31 December 2014, 2015 and 2016 and 31 August 2017, the Target Group had unrestricted cash and cash equivalents of HK$1 million, HK$1.4 million, HK$0.3 million and HK$0.2 million, respectively, and shareholders' loans of HK$298.9 million, HK$279.7 million, HK$262.7 million and HK$235.9 million, respectively. The shareholder's loans are interest free, unsecured and have no fixed repayment terms.

The gearing ratio of the Target Group, which is equal to amount due to ultimate holding company over total equity, as at 31 December 2014, 2015 and 2016 and 31 August 2017 was 233%, 188%, 161% and 106%, respectively. The reduction in gearing ratio was mainly attributable to the repayment of amount due to ultimate holding company.

(ii) Qiaotong Plant

Qiaotong Plant's daily operations and capital expenditures are mainly funded by internally generated funds and bank borrowings. As at 31 December 2014, 2015 and 2016 and 31 August 2017, the net current assets of Qiaotong Plant amounted to HK$227 million, HK$219 million, HK$190 million and HK$155 million, respectively, and the total equity of Qiaotong Plant amounted to HK$591 million, HK$630 million, HK$626 million and HK$681 million, respectively.

As at 31 December 2014, 2015 and 2016 and 31 August 2017, Qiaotong Plant had unrestricted cash and cash equivalents of HK$41.2 million, HK$50.7 million, HK$60.8 million and HK$73.5 million, respectively, and interest-bearing bank borrowings of HK$56.5 million, HK$88.9 million, HK$87.1 million and HK$122.9 million, respectively.

All the bank borrowings of Qiaotong Plant were denominated in RMB, bearing interest at fixed rates, repayable within one year and either unsecured or secured by certain inventories of Qiaotong Plant.

The gearing ratio of Qiaotong Plant, which is equal to bank borrowings over total equity, as at 31 December 2014, 2015 and 2016 and 31 August 2017 was 9.6%, 14.1%, 13.9% and 18%, respectively. The increase in gearing ratio as of 31 August 2017 was mainly attributable to the increase in bank borrowings to finance the construction of the new plant premises.

(iii) Qiaofeng Plant

Qiaofeng Plant's daily operations and capital expenditures are mainly funded by internally generated funds. As at 31 December 2014, 2015 and 2016 and 31 August 2017, the net current assets of Qiaofeng Plant amounted to HK$46.1 million, HK$57.6 million, HK$69.5 million and HK$71.5 million, respectively, and the total equity of Qiaofeng Plant amounted to HK$140.7 million, HK$137 million, HK$131.6 million and HK$136.5 million, respectively.

As at 31 December 2014, 2015 and 2016 and 31 August 2017, Qiaofeng Plant had unrestricted cash and cash equivalents of HK$10.9 million, HK$23 million, HK$8.8 million and HK$13.3 million, respectively. Qiaofeng Plant did not borrow any bank loans for each of the three years ended 31 December 2016 and eight months ended 31 August 2017.

Significant Investments

There were no significant investments held by the Target Group during the three years ended 31 December 2014, 2015 and 2016 and the eight months ended 31 August 2017.

Significant Acquisitions and Disposals

There was no significant acquisition or disposal of subsidiaries, associates and joint ventures for the Target Group during the three years ended 31 December 2014, 2015 and 2016 and the eight months ended 31 August 2017.

Charge on Assets

As at 31 December 2014, 2015 and 2016 and 31 August 2017, the Target Group did not pledge any of its assets as securities for the credit facilities granted to the Target Group.

Foreign Exchange Exposure

For the three years ended 31 December 2014, 2015 and 2016 and the eight months ended 31 August 2017, substantially all transactions, all bank borrowings and most of the bank deposits of the Target Group were denominated in RMB. The directors of the Target Group considered that the foreign exchange exposure of the Target Group was minimal, and therefore, the Target Group had not implemented any formal hedging policies to deal with such exposures.

Contingent Liabilities

As at 31 December 2014, 2015 and 2016 and 31 August 2017, the Target Group did not have any significant contingent liabilities.

Capital Commitments

The capital commitment of the Target Group as at 31 December 2014, 2015 and 2016 and 31 August 2017, was HK$3.96 million, HK$58.55 million, HK$48.63 million and HK$18.59 million, respectively, which related to the capital expenditure in respect of acquisition of property, plant and equipment.

Segmental Information

For the years ended 31 December 2014, 2015 and 2016 and the eight months ended 31 August 2017, substantially all of the Target Group's turnover were derived from the production of cigarette packages.

Employees

As at 31 December 2014, 2015 and 2016 and 31 August 2017, the Target Group including Qiaotong Plant and Qiaofeng Plant had an aggregate of 968, 952, 1,098 and 1,102 employees respectively. Pursuant to the Target Group's remuneration policy, employees were remunerated based on their working performance and experience, with consideration to the prevailing market conditions.

REASONS FOR THE ACQUISITION

The Group is principally engaged in the printing of high quality cigarette packaging and manufacturing of transfer papers in the PRC.

For many years, it has been one of the Company's stated missions to solidify its leading role in the tobacco packaging industry in the PRC. The Acquisition is in line with the Group's expansion strategy by means of acquisition and merger. At present, the Group has manufacturing operations based in Beijing, Dongguan, Hangzhou, Kunming, Nanjing, Qingdao and Xian. The Acquisition will allow the Group to further expand its cigarette packaging business into the Yunnan Province. In doing so, this will extend the Group's market share, strengthen and expand the Group's customer base and revenue generating capacity, provide synergy benefits through leveraging increased economies of scale and sharing of combined resources. With broader geographic reach and scale, the Group will also be better placed to meet the changing needs of its customers brought about by the ongoing consolidation of the PRC cigarette market.

One of the factors taken into account by the Board in reaching its decision to acquire the Target Group instead of other targets is that the Target Group owns one of the top tobacco packaging companies in Yunnan, i.e. Qiaotong Plant, which is the largest tobacco-producing province in China. Qiaotong Plant is run by a group of professional managers and is equipped with some of the best machines, and had a long history in supplying to key customers including Honghe Hongyun and Hongta. In addition, as the Group does not currently have an establishment to serve the Hongta group, the acquisition of Qiaotong Plant as a result of the Acquisition will enable the Group to have a solid platform to serve the Hongta group. Further, Qiaotong Plant is one of the few sizeable tobacco packaging companies which have a joint venture with the tobacco customers. Through the acquisition of the Target Group, the Group would be able to further strengthen the relationship with its customers and expand its market presence in the PRC.

The Directors consider that the terms of the Sale and Purchase Agreement are fair and reasonable and the Acquisition is in the interest of the Company and the Shareholders as a whole. For clarity, the Directors will only rely on its own due diligence (including the audited financial results of the Target Group as set out in Appendix II to this circular) to proceed with the Acquisition.

FINANCIAL EFFECTS OF THE ACQUISITION

Upon Completion, the Non-PRC Companies within the Target Group will become subsidiaries of the Group whose results will be consolidated in the books of the Company. The PRC Companies within the Target Group will become associates of the Group whose results will be equity accounted for in the books of the Company.

As reflected in the unaudited pro forma financial information of the Enlarged Group set out in Appendix III to this circular, the Acquisition will result in an increase in total assets of approximately HK$26.8 million and an increase in total liabilities of approximately HK$26.8 million. Based on the audited financial information of the Target Group for the year ended 31 December 2016 shown in the accountants' report set out in Appendix II to this circular, the profit before tax of the Target Group represent approximately and 11.9% of the profit before tax of the Group for the same period. Accordingly, it is reasonably believed by the Board that the Target Group will contribute substantially to the future earnings of the Group after Completion.

FINANCIAL AND TRADING PROSPECTS OF THE ENLARGED GROUP

After a year of unprecedented downturn and uncertainty, it is generally expected that the tobacco market will start to stabilize in the coming year. Considering the tobacco industry is still important to the State's revenue and employment of leaf growing farmers in poverty-stricken areas, long term fundamentals of the industry will remain unchanged. Product mix will improve although the consumption volume will stay flat. Facing the challenges ahead, it is also expected that there will be more industry consolidation to reduce the duplication of resources.

The Group's investments in research and development had begun to yield initial results. Many new designs were accepted by customers during the year, and such efforts are ongoing. It is hopeful that such new designs will accelerate the Group's organic growth in turnover in the coming years.

The management will continue to seek value-added acquisitions which will enhance the Group's earnings and presence in the market. As at the Latest Practicable Date, other than the Target Group, the management has not yet identified any such potential target for acquisition and no negotiation was in progress in relation thereto, and there was no agreement, arrangement, understanding or intention to dispose of or downsize any of the Group's existing business or material operating assets.

Internally, the Group will continue to reduce costs and improve productivity. In the coming years, the management will focus on centralizing the various functions to streamline the operations and reducing duplication of resources. The management is also actively seeking opportunities to reduce the foreign currency exposure brought forth by its Hong Kong dollar borrowings. The management had geared down the Group through the replacement of the previous borrowing with a facility with a smaller size in February 2017.

Although we saw further destocking from customers during the six months ended 30 June 2017 which has affected our turnover for the period, tobacco sales has stabilized at the same time. This is a good sign going forward. We view this positively and may favorably improve our results.

Our cost cutting initiatives have already yielded results in the first half of this year. The management will continue their efforts to contain expenses and costs. Further streamlining in labor force and automation will be done in the second half of the year. The management is cautiously optimistic about the near term prospects.

After Completion, the Enlarged Group will continue to focus on the integration and apply flexible and proactive marketing and acquisition strategies to maximize Shareholders' value. The Enlarged Group will continue to achieve long-term growth by searching for good business opportunities to acquire and expand that are a good cultural fit to the Enlarged Group so that it can become the key supplier of top cigarette groups in PRC producing market winning brands. Furthermore, the opportunities to further reduce costs will encompass cross-divisional co-operation with the central procurement of raw material, energy and other consumables being the initial focus.

The Board expects that the combination of the Group and the Target Group would bring a network of synergies for its manufacturing operation, which will translate into long term benefits for the Group. As mentioned in the paragraph headed "Reasons for the Acquisition" above, after Completion, the Acquisition will allow the Group to further expand its cigarette packaging business into the Yunnan Province, help extending the Group's market share, strengthen and expand the Group's customer base and revenue generating capacity, supplementing the Group's existing product mix to cover more top class cigarette brands, as a result of which the market position of the Enlarged Group will be strengthened. This entire endeavor aims to expand our already healthy production operation while simultaneously creating a diversified portfolio to ensure sustainable growth. The Enlarged Group will continue its existing business and look for opportunities for further expansion in order to achieve the ultimate goal of becoming the largest and most efficient packaging printing company as well as the market leader in the industry.

EGM

The Acquisition constitutes a major transaction on the part of the Company and is subject to the disclosure and shareholders' approval requirements under the Listing Rules. An EGM will be convened to consider and, if thought fit, approve the Acquisition and the transactions contemplated thereunder. To the best knowledge, information and belief of the Directors, no Shareholder shall be required to abstain from voting at the EGM. The single largest shareholder of the Company, namely Amcor Fibre Packaging-Asia Pte Limited (holding approximately 47.63% of the issued share capital of the Company), has undertaken that it shall vote in favour of the ordinary resolution to approve the Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM.

Set out on pages 66 to 67 of this circular is a notice convening the EGM which will be held at 2:30 p.m. on Thursday, 28 December 2017 at Room 601-602, 6th Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong at which resolution will be proposed to approve, among others, the Sale and Purchase Agreement and the transactions contemplated thereunder. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, there is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon its ultimate beneficial owners and their respective associates; and (ii) no obligation or entitlement of its ultimate beneficial owners and their respective associates as at the Latest Practicable Date, whereby it or he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its or his Shares to a third party, either generally or on a case-by-case basis

The form of proxy for use at the EGM is enclosed with this circular. Such form is also available at the website of the Stock Exchange at www.hkex.com.hk. Whether or not you intend to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it as soon as possible to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, and in any event not less than 48 hours before the time appointed for the holding of the EGM. Delivery of a form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so desire.

According to Article 66 of the Articles of Association, a resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

(a) by the chairman of such meeting; or

(b) by at least three Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or

(c) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or

(d) by a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Pursuant to Article 66 of the Articles of Association, the Chairman will demand a poll on the resolution to be proposed at the EGM.

RECOMMENDATION

The Directors consider that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

FURTHER INFORMATION

Your attention is also drawn to the financial information of the Group and the Target Group and the additional information set out in the appendices to this circular.

Yours faithfully
For and on behalf of the Board
AMVIG Holdings Limited
Chan Chew Keak, Billy
Non-executive Chairman

1. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for each of the years ended 31 December 2014, 2015 and 2016 and the six months ended 30 June 2017 are disclosed in the following documents which have been published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at http://www.amvig.com/eng/global/home.asp:

- Annual report of the Company for the year ended 31 December 2016 published on 28 April 2017 (pages 105 to 194) (hyperlinks: http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0428/LTN20170428235.pdf);

- Annual report of the Company for the year ended 31 December 2015 published on 29 April 2016 (pages 101 to 178) (hyperlinks: http://www.hkexnews.hk/listedco/listconews/SEHK/2016/0429/LTN20160429181.pdf);

- Annual report of the Company for the year ended 31 December 2014 published on 27 April 2015 (pages 97 to 174) (hyperlinks: http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0427/LTN20150427149.pdf); and

- Interim report of the Company for the six months ended 30 June 2017 published on 22 September 2017 (hyperlinks: http://www.hkexnews.hk/listedco/listconews/SEHK/2017/0922/LTN20170922017.pdf)

2. INDEBTEDNESS STATEMENT

As at the close of business on 31 October 2017, being the latest practicable date for the purpose of ascertaining the indebtedness of the Enlarged Group prior to the printing of this circular, the Enlarged Group had total outstanding borrowings of approximately HK$1,149 million, comprising secured and unsecured bank borrowings.

As at 31 October 2017, the secured bank borrowings of the Enlarged Group amounted to approximately HK$4 million was repayable within one year and was secured by the charge over certain assets of the Enlarged Group.

As at 31 October 2017, the unsecured bank borrowings of the Enlarged Group amounted to approximately HK$1,145 million was repayable after two years but within five years.

The Enlarged Group's borrowings were secured by the charge over certain bank deposits and corporate guarantees of the Enlarged Group.

The Enlarged Group did not have any significant contingent liabilities as at 31 October 2017.

Save as aforesaid and apart from intra-group liabilities and normal trade payables, the Enlarged Group did not have any debt securities, any other outstanding loan capital, any other borrowings or indebtedness in the nature of borrowings including bank overdrafts and any liabilities under acceptances (other than normal trade bills) or other similar indebtedness, acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities at the close of business on 31 October 2017.

Save for the Acquisition, the Directors have confirmed that there has been no material change in indebtedness and contingent liabilities of the Enlarged Group since 31 October 2017.

3. WORKING CAPITAL STATEMENT

The Directors are of the opinion that, in the absence of unforeseen circumstances and after taking into account the financial resources and banking facilities available to the Enlarged Group (including its internally generated funds), the Enlarged Group will have sufficient working capital to satisfy its present requirements and the requirements in the next 12 months.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save for the slight drop in turnover as compared to same period last year as disclosed in the interim report of the Company for the six months ended 30 June 2017, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2016, being the date of which the latest audited financial statement of the Group were made up.

The following is the text of a report received from the independent reporting accountants, ZHONGHUI ANDA CPA Limited, Certified Public Accountants, Hong Kong, for the purpose of inclusion in this investment circular.

中汇 ZHONGHUI

8 December 2017

The Board of Directors
AMVIG HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)

ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF AMVIG HOLDINGS LIMITED

Introduction

We report on the historical financial information of Outstanding Viewpoint Limited (the "Target Company") and its subsidiaries (hereinafter collectively referred to as the "Target Group") set out on pages 25 to 51, which comprises the consolidated and company statements of financial position of the Target Company as at 31 December 2014, 2015 and 2016, and 31 August 2017, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for each of the three years ended 31 December 2016 and eight months ended 31 August 2017 (the "Relevant Period") and a summary of significant accounting policies and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information forms an integral part of this report, which has been prepared for inclusion in the circular of AMVIG Holdings Limited dated 8 December 2017 in connection with the proposed acquisition of the entire equity interest in the Target Company.

Directors' responsibility for the Historical Financial Information

The directors of the Target Company are responsible for the preparation of Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information, and for such internal control as the directors determine is necessary to enable the preparation of Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 "Accountants' Reports on Historical Financial Information in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of Historical Financial Information that give a true and fair view in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the Target Company's and the Target Group's financial position at 31 December 2014, 2015 and 2016 and 31 August 2017 and of the Target Group's financial performance and cash flows for the Relevant Period in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information.

EMPHASIS OF MATTERS RELATING TO GOING CONCERN BASIS

Without modifying our opinion, we draw attention to Note 2 to the Historical Financial Information which mentions that as at 31 December 2014, 2015 and 2016 and 31 August 2017, the Target Group had net current liabilities HK$267,040,000, HK$248,897,000, HK$232,199,000 and HK$208,955,000 respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Target Group's ability to continue as a going concern.

Review of stub period comparative financial information

We have reviewed the stub period comparative financial information of the Target Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the eight months ended 31 August 2016 and other explanatory information (the "Stub Period Comparative Financial Information"). The directors of the Target Company are responsible for the preparation and presentation of the Stub Period Comparative Financial Information in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope that an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in Note 2 to the Historical Financial Information.

REPORT ON MATTERS UNDER THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page 26 have been made.

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Pang Hon Chung
Audit Engagement Director
Practising Certificate Number P05988
Hong Kong

HISTORICAL FINANCIAL INFORMATION OF THE TARGET GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

Outstanding Viewpoint Limited (the "Target Company") was incorporated in the British Virgin Islands on 24 May 2015 with limited liability and acts as an investment holding company. The Target Company and its subsidiaries are hereinafter collectively referred to as the "Target Group". As at the date of this report, the Target Company has the following subsidiaries:

Name of subsidiary	*Notes*	Place and date of incorporation/ establishment	Issued and fully paid share/ registered capital	Attributable equity interest of the Target Company		Principal activities
				Direct	Indirect	
Designer Global Group Limited		British Virgin Islands (the "BVI") 23 March 2015	US$1	100%	–	Investment holding
Easyfield Pacific Limited		The BVI 28 February 2011	US$1	100%	–	Investment holding
Ever Honest Industries Limited 永發實業有限公司	*(a)*	Hong Kong 11 April 1991	HK$4	–	100%	Investment holding
Gainful Investments Limited 勁富投資有限公司	*(b)*	Hong Kong 6 May 2002	HK$4	–	100%	Investment holding

All the companies of the Target Group have adopted 31 December as the financial year end date.

(a) We have audited the financial statements of Ever Honest Industries Limited for each of the three years ended 31 December 2016, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

(b) We have audited the financial statements of Gainful Investments Limited for each of the three years ended 31 December 2016, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

No audited financial statements of Designer Global Group Limited, Easyfield Pacific Limited and the Target Company have been prepared for the Relevant Period as there is no statutory audit requirement in the country of their incorporation.

The directors of the Target Company have prepared the consolidated financial statements of the Target Group for the Relevant Period in accordance with HKFRSs (the "Underlying Financial Statements"). We have performed our independent audit on the Underlying Financial Statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA.

The Historical Financial Information is presented in Hong Kong Dollars (HK$) and all values are rounded to the nearest thousand dollars (HK$'000) except when otherwise indicated.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the year ended 31 December			For the eight months ended 31 August	
	Notes	**2014**	**2015**	**2016**	**2016**	**2017**
		HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
					(Unaudited)	
Revenue	*7*	–	–	–	–	–
Other income	*8*	–	2	5	3	11
Administrative expenses		(2,510)	(3,581)	(4,036)	(3,555)	(2,185)
Loss from operation		(2,510)	(3,579)	(4,031)	(3,552)	(2,174)
Share of results of associates	*14*	32,455	48,723	47,277	32,559	36,249
Finance costs	*9*	–	–	(793)	(267)	(1,048)
Profit before tax		29,945	45,144	42,453	28,740	33,027
Income tax expenses	*10*	(110)	(109)	(1,186)	(664)	(2,882)
Profit for the year/period		29,835	45,035	41,267	28,076	30,145
Other comprehensive income/(loss):						
Items that may be reclassified to profit or loss:						
Share of associates' exchange differences on translating foreign operations		(1,778)	(24,574)	(27,072)	(9,087)	28,270
Total comprehensive income for the year/period	*11*	28,057	20,461	14,195	18,989	58,415

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December 2014 HK$'000	2015 HK$'000	2016 HK$'000	As at 31 August 2017 HK$'000
NON-CURRENT ASSETS					
Investment in associates	*14*	395,542	417,528	414,042	448,230
CURRENT ASSETS					
Prepayments, deposits and other receivables		4	4	109	4
Amounts due from associates	*14*	4,101	3,993	3,993	3,993
Amount due from immediate holding company	*15*	29,616	52,074	52,074	52,074
Amounts due from fellow subsidiaries	*15*	22,777	583	1,245	1,235
Bank and cash balances		1,019	1,433	266	203
		57,517	58,087	57,687	57,509
CURRENT LIABILITIES					
Accrual and other payables		466	–	–	–
Amounts due to associates	*14*	25,187	27,319	25,396	26,763
Amount due to a related company	*16*	–	–	1,776	3,807
Amount due to ultimate holding company	*15*	298,904	279,650	262,689	235,879
Amounts due to fellow subsidiaries	*15*	–	15	25	15
		324,557	306,984	289,886	266,464
NET CURRENT LIABILITIES		(267,040)	(248,897)	(232,199)	(208,955)
TOTAL ASSETS LESS CURRENT LIABILITIES		128,502	168,631	181,843	239,275
NON-CURRENT LIABILITIES					
Amount due to a related company	*16*	–	19,668	18,685	17,702
NET ASSETS		128,502	148,963	163,158	221,573
CAPITAL AND RESERVE					
Share capital*	*17*	–	–	–	–
Reserves		128,502	148,963	163,158	221,573
TOTAL EQUITY		128,502	148,963	163,158	221,573

* There was no issued capital as at 31 December 2014 since the Target Company has not yet been incorporated. The share capital as at 31 December 2015 and 2016 and as at 31 August 2017 was approximately HK$8.

STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 December 2014	As at 31 December 2015	As at 31 December 2016	As at 31 August 2017
		HK$'000	HK$'000	HK$'000	HK$'000
NON-CURRENT ASSET					
Investment in subsidiaries#		–	–	–	–
CURRENT LIABILITY					
Amount due to immediate holding company		–	–	–	–
Amount due to ultimate holding company		–	–	6	11
		–	–	6	11
NET CURRENT LIABILITIES		–	–	(6)	(11)
NET LIABILITIES		–	–	(6)	(11)
CAPITAL AND RESERVE					
Share capital*	*17*	–	–	–	–
Reserves		–	–	(6)	(11)
TOTAL DEFICIT		–	–	(6)	(11)

\# Investment in subsidiaries as at 31 December 2015 and 2016 and as at 31 August 2017 was approximately HK$16.

* There was no issued capital as at 31 December 2014 since the Target Company has not yet been incorporated. The share capital as at 31 December 2015 and 2016 and as at 31 August 2017 was approximately HK$8.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital*	Foreign currency translation reserve	Retained profits	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 1 January 2014	–	61,413	39,032	100,445
Total comprehensive income/(loss) for the year	–	(1,778)	29,835	28,057
At 31 December 2014 and 1 January 2015	–	59,635	68,867	128,502
Issue of shares*	–	–	–	–
Total comprehensive income/(loss) for the year	–	(24,574)	45,035	20,461
At 31 December 2015 and 1 January 2016	–	35,061	113,902	148,963
Total comprehensive income/(loss) for the year	–	(27,072)	41,267	14,195
At 31 December 2016 and 1 January 2017	–	7,989	155,169	163,158
Total comprehensive income for the period	–	28,270	30,145	58,415
At 31 August 2017	–	36,259	185,314	221,573
At 1 January 2016	–	35,061	113,902	148,963
Total comprehensive (loss)/income for the period *(Unaudited)*	–	(9,087)	28,076	18,989
At 31 August 2016 *(Unaudited)*	–	25,974	141,978	167,952

* During the year ended 31 December 2015, the Target Company issued 1 ordinary share of US$1 (equivalent to approximately HK$8). There was no issued capital as at 31 December 2014 since the Target Company has not yet been incorporated. The share capital as at 31 December 2015 and 2016 and as at 31 August 2016 and 2017 was approximately HK$8.

CONSOLIDATED STATEMENT OF CASH FLOWS

	For the year ended 31 December			For the eight months ended 31 August	
	2014	2015	2016	2016	2017
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* (*Unaudited*)	*HK$'000*
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax	29,945	45,144	42,453	28,740	33,027
Adjustments for:					
Interest income	–	(2)	(5)	(3)	(11)
Finance costs	–	–	793	267	1,048
Share of results of associates	(32,455)	(48,723)	(47,277)	(32,559)	(36,249)
Operating loss before working capital changes	(2,510)	(3,581)	(4,036)	(3,555)	(2,185)
Change in prepayments, deposits and other receivables	–	–	(105)	(225)	105
Change in accrual and other payables	466	(466)	–	–	–
Cash used in operations	(2,044)	(4,047)	(4,141)	(3,780)	(2,080)
Withholding tax paid	(110)	(109)	(1,186)	(664)	(2,882)
Net cash used in operating activities	(2,154)	(4,156)	(5,327)	(4,444)	(4,962)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	–	2	5	3	11
Change in amounts due from associates	3,486	2,240	(1,923)	(1,922)	1,367
Dividend received from associates	2,196	2,163	23,691	13,457	30,331
Net cash generated from investing activities	5,682	4,405	21,773	11,538	31,709
CASH FLOWS FROM FINANCING ACTIVITIES					
Change in amount due from immediate holding company	–	(22,458)	–	–	–
Change in amounts due from fellow subsidiaries	13,515	22,194	(662)	(956)	10
Change in amount due to ultimate holding company	(17,271)	(19,254)	(16,961)	(6,030)	(26,810)
Change in amounts due to fellow subsidiaries	–	15	10	–	(10)
Change in amount due to a related company	–	19,668	–	–	–
Net cash (used in)/generated from financing activities	(3,756)	165	(17,613)	(6,986)	(26,810)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(228)	414	(1,167)	108	(63)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR/PERIOD	1,247	1,019	1,433	1,433	266
CASH AND CASH EQUIVALENTS AT END OF THE YEAR/PERIOD	1,019	1,433	266	1,541	203
ANALYSIS OF CASH AND CASH EQUIVALENTS					
Bank and cash balances	1,019	1,433	266	1,541	203

NOTES TO HISTORICAL FINANCIAL INFORMATION

1. GENERAL INFORMATION

Outstanding Viewpoint Limited (the "Target Company") was incorporated in the British Virgin Islands on 24 May 2015 with limited liability. The address of its registered office of business is Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands.

The Target Company is an investment holding company. Pursuant to a corporate reorganisation as detailed in note 2 ("Group Reorganisation"), the Target Company became the holding company of its subsidiaries (collectively known as the "Target Group") upon completion of the Group Reorganisation on 4 August 2017.

The principal activities of it's associates are set out in note 14 to the Historical Financial Information.

The Historical Financial Information is presented in Hong Kong Dollars, rounded to the nearest thousands ("HK$'000"), which is the same as the functional currency of the Target Company.

2. BASIS OF PREPARATION AND PRESENTATION OF HISTORICAL FINANCIAL INFORMATION

The Historical Financial Information has been prepared in accordance with the accounting policies set out in Note 4 below which conform with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). In addition, the Historical Financial Information includes the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

Group Reorganisation

Prior to the commencement of the Group Reorganisation in 2017 (as hereafter defined), the Target Group were under control of Kith Limited ("Controlling Party"). Kith Limited held 100% beneficial interest in the Target Company and its two original subsidiaries, Designer Global Group Limited and Easyfield Pacific Limited, (together referred to as the "Original Group") and through a shareholder agreement, the Original Group and the Target Company are under the effective control of the Controlling Party.

A Group Reorganisation was completed on 4 August 2017 which comprised of the following steps:

– On 4 August 2017, the Target Company completed the acquisition from the Controlling Party the entire issued share capital of Original Group at a total consideration of US$2 (equivalent to approximately HK$16) in cash. Upon completion of the foregoings, the Original Group became subsidiaries of the Target Company.

– On 4 August 2017, the Target Company completed the disposal of entire equity interest of Blue Sky Environmental Company Limited at a consideration of HK$10,000 in cash. Upon completion of the foregoings, Blue Sky Environmental Company Limited was not the subsidiary of the Target Company.

Pursuant to the Group Reorganisation, the Target Company became the holding company of all the companies now comprising the Target Group on 4 August 2017. Since the Controlling Party controlled the Target Group before and after the Group Reorganisation, the Target Group resulting from the Group Reorganisation is regarded as a continuing entity. The consolidated financial statements of the Group has been prepared on the basis as if the Target Company had always been the holding company of the Target Group using the principles of merger accounting in accordance with Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the year ended 31 December 2014, 2015 and 2016 and eight months ended 31 August 2016 and 2017 (the "Relevant Periods") which include the results, changes in equity and cash flows of the entities comprising the Target Group have been prepared as if the current group structure had been in existence throughout the Relevant Periods, or since their respective dates of establishment where it is a shorter period.

The consolidated statements of financial position at 31 December 2014, 2015 and 2016 and 31 August 2017 have been prepared to present the assets and liabilities of the entities comprising the Target Group as if the current group structure had been in existence at those dates.

Going Concern Basis

As at 31 December 2014, 2015 and 2016 and 31 August 2017, the Target Group had net current liabilities HK$267,040,000, HK$248,897,000, HK$232,199,000 and HK$208,955,000 respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Target Group's ability to continue as a going concern. Therefore, the Target Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Historical Financial Information has been prepared on a going concern basis, the validity of which depends upon the financial support of the controlling shareholder, at a level sufficient to finance the working capital requirements of the Target Group. The controlling shareholder has agreed to provide adequate funds for the Target Group to meet its liabilities as they fall due. The directors of the Target Group is therefore of the opinion that it is appropriate to prepare the Historical Financial Information on a going concern basis. Should the Target Group be unable to continue as a going concern, adjustments would have to be made to the Historical Financial Information to adjust the value of the Target Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

The Target Group had adopted all the new and revised HKFRSs that are relevant to its operations and effective for its accounting period beginning on 1 January 2017. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations.

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

4. SIGNIFICANT ACCOUNTING POLICIES

The Historical Financial Information has been prepared in accordance with HKFRSs, the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The Historical Financial Information has been prepared under the historical cost convention. The significant accounting policies applied in the preparation of the Financial Information are set out below.

Consolidation

The consolidated financial statements include the financial statements of the Target Company and its subsidiaries made up to 31 December and 31 August. Subsidiaries are entities over which the Target Group has control. The Target Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Target Group has power over an entity when the Target Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Target Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Target Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Target Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Target Group.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Target Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Target Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Target Company.

Associates

Associates are entities over which the Target Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Target Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Target Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Target Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Target Group's share of an associate's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Target Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Target Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Target Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Target Group's share of the net assets of that associate plus any remaining goodwill relating to that associate and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Target Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Target Group and its associates are eliminated to the extent of the Target Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Target Group.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Target Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong Dollars, rounded to the nearest thousands ("HK$'000"), which is the Target Company's presentation currency and the functional currency of the Target Company.

Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Translation on consolidation

The results and financial position of all the Target Group entities that have a functional currency different from the Target Company's presentation currency are translated into the Target Company's presentation currency as follows:

– Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

– Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

– All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Target Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Target Group transfers substantially all the risks and rewards of ownership of the assets; or the Target Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

Other receivables

Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of other receivables is established when there is objective evidence that the Target Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowances is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in profit or loss.

Impairment losses are reversed in subsequent periods and recognised in profit or loss when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Target Company's cash management are also included as a component of cash and cash equivalents.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Target Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Other payables

Other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Target Company and the amount of revenue can be measured reliably.

Interest income is recognised on a time-proportion basis using the effective interest method.

Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Pension obligations

The Target Company contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Target Company and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Target Company to the funds.

(c) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Target Company can no longer withdraw the offer of those benefits and when the Target Company recognises restructuring costs and involves the payment of termination benefits.

Borrowing costs

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. the Target Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Target Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Target Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Target Group intends to settle its current tax assets and liabilities on a net basis.

Related parties

A related party is a person or entity that is related to the Target Group.

(A) A person or a close member of that person's family is related to the Target Group if that person:

(i) has control or joint control over the Target Group;

(ii) has significant influence over the Target Group; or

(iii) is a member of the key management personnel of the Target Group or of a parent of the Target Group.

(B) An entity is related to the Target Group if any of the following conditions applies:

(i) The entity and the Target Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Target Group or an entity related to the Target Group. If the Target Group is itself such a plan, the sponsoring employers are also related to the Target Group.

(vi) The entity is controlled or jointly controlled by a person identified in (A).

(vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Target Group or to a parent of the Target Group.

Impairment of assets

At the end of each reporting period, the Target Group reviews the carrying amounts of its assets except receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Target Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Target Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

Events after the end of the reporting period

Events after the reporting period that provide additional information about the Target Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial information. Events after the reporting period that are not adjusting events are disclosed in the notes to the Historical Financial Information when material.

5. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the process of applying the accounting policies, the director of the Target Group has made the following judgements that have the most significant effect on the amounts recognised in the Historical Financial Information.

Going concern basis

The Historical Financial Information has been prepared on a going concern basis, the validity of which depends upon the financial support of the controlling shareholder at a level sufficient to finance the working capital requirements of the Target Group. Details are explained in Note 2 to the Historical Financial Information.

Equity pick up of entity of more than 50% equity interest

Although the Target Group holds more than 50% of the voting power of Yunnan Qiaotong Package Printing Co., Ltd., the Target Group cannot exercise the control over Yunnan Qiaotong Package Printing Co., Ltd. because the Target Group is only entitled to appoint four directors out of the seven directors of Yunnan Qiaotong Package Printing Co., Ltd. whereas all board resolutions require five directors' votes to pass.

6. FINANCIAL RISK MANAGEMENT

The Target Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, and liquidity risk. the Target Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Target Group's financial performance.

(a) Foreign currency risk

The Target Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in Renminbi. The Target Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Target Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

(b) Credit risk

The carrying amount of the cash and bank balances, included in the statement of financial position represents the Target Group's maximum exposure to credit risk in relation to the Target Group's financial assets.

The credit risk on cash and bank balances and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

(c) Liquidity risk

The Target Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis of the Target Group's financial liabilities is as follows:

	Less than 1 year	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 31 August 2017				
– Amount due to ultimate holding company	235,879	–	–	–
– Amounts due to fellow subsidiaries	15	–	–	–
– Amount due to a related company	5,381	2,557	7,675	35,547
At 31 December 2016				
– Amount due to ultimate holding company	262,689	–	–	–
– Amounts due to fellow subsidiaries	25	–	–	–
– Amount due to a related company	3,350	2,557	7,675	37,577

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 31 December 2015				
– Amount due to ultimate holding company	279,650	–	–	–
– Amounts due to fellow subsidiaries	15	–	–	–
– Amount due to a related company	–	–	–	19,668
At 31 December 2014				
– Accrual and other payables	466	–	–	–
– Amount due to ultimate holding company	298,904	–	–	–

(d) Fair values

The carrying amounts of the Target Group's financial assets and financial liabilities as reflected in the consolidated statements of financial position approximate their respective fair values.

(e) Categories of financial instruments

	As at 31 December			As at 31 August
	2014	**2015**	**2016**	**2017**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Financial asset:				
Loans and receivables				
– Prepayments, deposits and other receivables	4	4	79	4
– Amounts due from associates	4,101	3,993	3,993	3,993
– Amount due from immediate holding company	29,616	52,074	52,074	52,074
– Amounts due from fellow subsidiaries	22,777	583	1,245	1,235
– Bank and cash balances	1,019	1,433	266	203
	57,517	58,087	57,657	57,509

	As at 31 December			As at 31 August
	2014	**2015**	**2016**	**2017**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Financial liability:				
Financial liability at amortised cost				
– Accrual and other payables	466	–	–	–
– Amounts due to associates	25,187	27,319	25,396	26,763
– Amount due to ultimate holding company	298,904	279,650	262,689	235,879
– Amounts due to fellow subsidiaries	–	15	25	15
– Amount due to a related company	–	19,668	20,461	21,509
	324,557	326,652	308,571	284,166

7. REVENUE

No transactions were concluded to generate any income during the Relevant Period.

8. OTHER INCOME

	For the year ended 31 December			For the eight months ended 31 August	
	2014	**2015**	**2016**	**2016**	**2017**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Interest income	–	2	5	3	11

9. FINANCE COSTS

	For the year ended 31 December			For the eight months ended 31 August	
	2014	**2015**	**2016**	**2016**	**2017**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Interest expenses on amount due to a related company	–	–	793	267	1,048

10. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made for as the Relevant Period as the Target Group did not generate any assessable profits arising in Hong Kong during that Relevant Period.

The Target Group is required to withhold 5% tax when it received dividends that distributed from the PRC companies in accordance to the Corporate Income Tax Law of the PRC.

11. PROFIT FOR THE YEAR/PERIOD

The Target Group's profit for the Relevant Period is stated after charging the following:

	For the year ended 31 December			For the eight months ended 31 August	
	2014	**2015**	**2016**	**2016**	**2017**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Directors' emoluments	–	–	–	–	–
Staff costs	–	1,198	3,028	2,873	1,943

12. EARNINGS PER SHARE

Earnings per share have not been presented as its inclusion is not considered meaningful for the purpose of the Historical Financial Information.

13. DIVIDENDS

The director of the Target Group does not recommend the payment of any dividend in respect of the Relevant Period.

14. INVESTMENT IN ASSOCIATES

	As at 31 December			As at 31 August
	2014	**2015**	**2016**	**2017**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Share of net assets	395,542	417,528	414,042	448,230

The following table shows information of associates that are material to the Target Group. These associates are accounted for in the consolidated financial statements using the equity method. The summarised financial information presented is based on the HKFRS financial statements of the associates.

Yunnan Qiaotong Package Printing Co., Ltd.

	As at 31 December			As at 31 August
	2014	**2015**	**2016**	**2017**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Non-current assets	366,892	415,926	440,748	531,628
Current assets	366,226	429,435	454,365	401,977
Non-current liabilities	(2,584)	(4,888)	(4,344)	(5,617)
Current liabilities	(139,299)	(210,790)	(264,289)	(246,903)
Net assets	591,235	629,683	626,480	681,085
Net current assets	226,927	218,645	190,076	155,074
Target Group's share of net assets	354,741	377,809	375,888	408,651

Yunnan Qiaotong Package Printing Co., Ltd.

	For the year ended 31 December			For the eight months ended 31 August	
	2014	**2015**	**2016**	**2016**	**2017**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Unaudited)	
Revenue	521,823	591,957	620,806	442,506	398,923
Gross profit	180,486	194,844	185,306	136,709	120,833
Profit before tax	58,927	91,588	87,118	66,001	66,105
Profit for the year/period	48,665	75,638	72,571	55,418	56,962
Other comprehensive income/(loss)	(2,644)	(37,192)	(40,797)	(13,808)	43,188
Total comprehensive income	46,021	38,446	31,774	41,610	100,150
Dividends received from associate	–	–	20,986	10,688	27,326

	Anhui Qiaofeng Package Printing Co., Ltd.			
	As at 31 December			As at 31 August
	2014	2015	2016	2017
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Non-current assets	94,558	80,544	63,133	66,128
Current assets	69,187	96,167	114,863	96,538
Non-current liabilities	–	(1,160)	(1,086)	(1,154)
Current liabilities	(23,052)	(38,590)	(45,346)	(25,034)
Net assets	140,693	136,961	131,564	136,478
Net current assets	46,135	57,577	69,517	71,504
Target Group's share of net assets	40,801	39,719	38,154	39,579

	Anhui Qiaofeng Package Printing Co., Ltd.				
	For the year ended 31 December			For the eight months ended 31 August	
	2014	2015	2016	2016	2017
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000* *(Unaudited)*	*HK$'000*
Revenue	150,816	139,667	140,927	54,978	82,395
Gross profit	28,323	23,374	27,536	2,890	16,738
Profit/(loss) before tax	15,767	16,925	18,007	(2,366)	9,344
Profit/(loss) for the year/period	11,227	11,517	12,877	(2,385)	7,146
Other comprehensive income/(loss)	(659)	(7,790)	(8,946)	(2,767)	8,130
Total comprehensive income	10,568	3,727	3,931	(5,152)	15,276
Dividends received from associate	2,196	2,163	2,705	2,769	3,005

The amounts due from/(to) associates are interest free, unsecured and have no fixed repayment term.

15. AMOUNT DUE FROM/(TO) ULTIMATE HOLDING COMPANY/IMMEDIATE HOLDING COMPANY/FELLOW SUBSIDIARIES

The amounts are interest free, unsecured and have no fixed repayment term.

16. AMOUNT DUE TO A RELATED COMPANY

The amount due to a related company is unsecured and interest bearing starting from 1 July 2016 at 8% per annum. The amount due to a related company, together with the related interests thereon, have been initially scheduled to be repayable by annual equal instalments from 30 June 2017 to 30 June 2036. The Target Company, at its discretion, may either make early repayment or request to defer repayment in accordance with the initial repayment schedule if the Target Company does not have sufficient funds or if such deferral of repayment is agreed between the Target Company and the related company.

17. SHARE CAPITAL

	As at 31 December			As at 31 August
	2014	**2015**	**2016**	**2017**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Issued and fully paid:				
1 ordinary share at US$1*	–	–	–	–

There was no issued capital as at 31 December 2014 since the Target Company has not yet been incorporated. The share capital as at 31 December 2015 and 2016 and as at 31 August 2017 was approximately HK$8.

The Target Group's objectives when managing capital are to safeguard the Target Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance. The Target Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions.

18. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Changes in liabilities arising from financing activities

The following table shows the Target Group's changes in liabilities arising from financing activities during the year/period:

	Amount due to a related company	**Amount due to ultimate holding company**	**Amounts due to fellow subsidiaries**
	HK$'000	*HK$'000*	*HK$'000*
At 1 January 2014	–	316,175	–
Changes in cash flows	–	(17,271)	–
At 31 December 2014 and 1 January 2015	–	298,904	–
Changes in cash flows	19,668	(19,254)	15
At 31 December 2015 and 1 January 2016	19,668	279,650	15
Non-cash changes			
– Interest charged	793	–	–
Changes in cash flows	–	(16,961)	10
At 31 December 2016 and 1 January 2017	20,461	262,689	25
Non-cash changes			
– Interest charged	1,048	–	–
Changes in cash flows	–	(26,810)	(10)
At 31 August 2017	21,509	235,879	15
At 1 January 2016	19,668	279,650	15
Non-cash changes			
– Interest charged	267	–	–
Changes in cash flows (Unaudited)	–	(6,030)	–
At 31 August 2016 (Unaudited)	19,935	273,620	15

19. CONTINGENT LIABILITIES

At the end of the reporting periods, the Target Group did not have any significant contingent liability.

20. RELATED PARTY TRANSACTIONS

Except for those related party transactions and balances disclosed elsewhere in the Historical Financial Information, the Target Group did not enter into any other significant related party transactions during the Relevant Period.

21. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Target Group in respect of any period subsequent to 31 August 2017.

A. UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE ENLARGED GROUP

(1) INTRODUCTION TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION

The accompanying unaudited pro forma statement of assets and liabilities of the Enlarged Group (the "Statement") has been prepared to illustrate the effect of the acquisition of Outstanding Viewpoint Limited (the "Target Company") and its subsidiaries (collectively referred to as the "Target Group") (the "Acquisition), assuming the transaction had been completed as at 30 June 2017, might have affected the financial position of the Group.

The Statement is prepared based on the unaudited consolidated statement of financial position of the Group as at 30 June 2017 as extracted from the interim report of the Group for the six months ended 30 June 2017 and the audited consolidated statement of financial position of the Target Group as at 31 August 2017 as extracted from the Accountants' Report set out in Appendix II of the Circular after making certain pro forma adjustments resulting from the Acquisition.

The Statement is prepared based on a number of assumptions, estimates, uncertainties and currently available information, and is provided for illustrative purposes only. Accordingly, as a result of the nature of the Statement, it may not give a true picture of the actual financial position of the Group that would have been attained had the Acquisition actually occurred on 30 June 2017. Furthermore, the Statement does not purport to predict the Group's future financial position.

The Statement should be read in conjunction with the financial information of the Group as set out in Appendix I of this Circular, the financial information of the Target Group as set out in Appendix II of this Circular and other financial information included elsewhere in this Circular.

(2) UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES OF THE ENLARGED GROUP

	The Group at 30 June 2017	The Target Group at 31 August 2017	Total	Pro forma adjustments	Pro forma adjustments	Pro forma adjustments	Pro forma adjustments	Pro forma Enlarged Group
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(Note 1)	*(Note 2)*		*(Note 3)*	*(Note 4a)*	*(Note 4b)*	*(Note 4c)*	
Non-current assets								
Property, plant and equipment	666,378	–	666,378					666,378
Prepaid land lease payments	148,784	–	148,784					148,784
Goodwill	2,635,192	–	2,635,192					2,635,192
Interests in associates	115,080	448,230	563,310				274,333	837,643
Derivative financial instruments	22,479	–	22,479					22,479
Other non-current assets	17,094	–	17,094					17,094
Interests in a subsidiary	–	–	–	700,000			(700,000)	–
	3,605,007	448,230	4,053,237					4,327,570
Current assets								
Inventories	186,421	–	186,421					186,421
Trade and other receivables	1,056,306	3,997	1,060,303					1,060,303
Prepaid land lease payments	4,440	–	4,440					4,440
Prepayments and deposits	32,625	–	32,625					32,625
Current tax assets	32,147	–	32,147					32,147
Pledged bank deposits	2,305	–	2,305					2,305
Amount due from immediate holding company	–	52,074	52,074		(256,168)	204,094		–
Amount due from fellow subsidiaries	–	1,235	1,235		(1,235)			–
Bank and cash balances	747,964	203	748,167	(700,000)				48,167
	2,062,208	57,509	2,119,717					1,366,408

	The Group at 30 June 2017	The Target Group at 31 August 2017	Total	Pro forma adjustments	Pro forma adjustments	Pro forma adjustments	Pro forma adjustments	Pro forma Enlarged Group
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(Note 1)	*(Note 2)*		*(Note 3)*	*(Note 4a)*	*(Note 4b)*	*(Note 4c)*	
Current liabilities								
Trade and other payables	674,510	26,763	701,273					701,273
Current tax liabilities	23,886	–	23,886					23,886
Derivative financial instruments	15,228	–	15,228					15,228
Current portion of bank borrowings	3,458	–	3,458					3,458
Amount due to a related company	–	3,807	3,807		(3,807)			–
Amount due to a ultimate holding company	–	235,879	235,879		(235,879)			–
Amount due to fellow subsidiaries	–	15	15		(15)			–
Sale Loan	–	–	–			204,094	(204,094)	–
	717,082	266,464	983,546					743,845
Net current assets/ (liabilities)	1,345,126	(208,955)	1,136,171					622,563
Total assets less current liabilities	4,950,133	239,275	5,189,408					4,950,133
Non-current liabilities								
Bank borrowings	1,133,044	–	1,133,044					1,133,044
Derivative financial instruments	18,579	–	18,579					18,579
Deferred tax liabilities	10,492	–	10,492					10,492
Account due to a related company	–	17,702	17,702		(17,702)			–
	1,162,115	17,702	1,179,817					1,162,115
NET ASSETS/ (LIABILITIES)	3,788,018	221,573	4,009,591					3,788,018

	The Group at 30 June 2017	The Target Group at 31 August 2017	Total	Pro forma adjustments	Pro forma adjustments	Pro forma adjustments	Pro forma adjustments	Pro forma Enlarged Group
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(Note 1)	*(Note 2)*		*(Note 3)*	*(Note 4a)*	*(Note 4b)*	*(Note 4c)*	
EQUITY								
Capital and reserve								
Share capital	9,290	–	9,290					9,290
Reserves	3,482,112	221,573	3,703,685				(221,573)	3,482,112
Equity attributable to owners of the Company	3,491,402	221,573	3,712,975					3,491,402
Non-controlling interests	296,616	–	296,616					296,616
Total equity	3,788,018	221,573	4,009,591					3,788,018

(3) NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

(1) The financial information is extracted from the unaudited consolidated statement of financial position of the Group as at 30 June 2017 as extracted from the interim report of the Company for the six months ended 30 June 2017.

(2) The financial information is extracted from the accountants' report of the Target Group as at 31 August 2017 as set out in Appendix II to this Circular.

(3) Pursuant to the Acquisition Agreement, the Purchaser has conditionally agreed to acquire the Sale Shares and the Sale Loan of the Target Company, the Vendor has conditionally agreed to sell the Sale Shares, representing 100% equity interest in the Target Company, and Sale Loan at consideration of HK$700 million, which will be satisfied by cash.

(4) (a) Pursuant to the deed of assignments to be entered into by the Vendor and Tesson Holdings Limited and its subsidiaries (the "Tesson Group") immediately before completion of the Acquisition, Tesson Group will transfer all the rights and obligations of these balances to the Vendor.

(b) Pursuant to the Acquisition Agreement, all debts owing or payable by the Target Group to the Vendor will be classified as sale loan (the "Sale Loan"). As at 31 August 2017, Sale Loan was amounted to approximately HK$204,094,000.

(c) The adjustment represents the elimination of the Target Group's issued share capital, Sale Loan and investment in a subsidiary upon completion of the Acquisition. Under Hong Kong Financial Reporting Standards, the Acquisition was accounted for as an acquisition of assets and liabilities as the Target Group proposed to be acquired by the Company does not constitute a business.

According to paragraph 2(b) of HKFRS 3 (revised), HKFRS 3 (revised) does not apply to the acquisition of an asset or a group of assets that does not constitute a business. In such cases the acquirer shall identify and recognise the individual identifiable assets acquired and liabilities assumed. The cost of the acquisition shall be allocated to the individual identifiable assets and liabilities. Such a transaction or event does not give rise to goodwill.

For the purpose of preparation of this unaudited pro forma consolidated statement of financial position, the adjustment of approximately HK$274,333,000 was allocated to the interests in associates as at 31 August 2017. The calculation is as follows:

	Allocation amount *HK$'000*
Consideration	700,000
Less: Trade and other receivables	(3,997)
Bank and cash balances	(203)
Trade and other payables	26,763
Cost of acquisition of interests in associates	722,563
Less: Interests in associates as at 31 August 2017	(448,230)
Adjustment for investment cost	274,333

According to the Group's accounting policy, the carrying amount of the investment is tested for impairment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the recoverable amount of the associate over the cost of acquisition is recognised in consolidated profit or loss.

In the opinion of the Directors, no impairment loss on interests in associates has been recognised in the unaudited pro forma financial information. The Directors have assessed the impairment of interests in associates, the recoverable amount of the associate is not less than the carrying amount of the interests in associates, as the recoverable amount of interests in associates is computed by using the value in use, which the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The Company will adopt consistent accounting policies and principal assumptions to assess the impairment of investment in associate of the Enlarged Group in the financial statements in the future.

Save as set out above, the Statement does not take into account any trading results or other transactions of the Group and the Target Group subsequent to the date of the financial information as included in the Statement.

B. ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE ENLARGED GROUP

The following is the text of a report, prepared for the sole purpose of inclusion in this circular, from the independent reporting accountant, ZHONGHUI ANDA CPA Limited, Certified Public Accountants, Hong Kong.

中汇
ZHONGHUI

ZHONGHUI ANDA CPA Limited
Certified Public Accountants

8 December 2017

The Board of Directors
AMVIG Holdings Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of pro forma financial information of AMVIG Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the pro forma statement of assets and liabilities as at 30 June 2017 (the "Statement") as set out on pages 52 to 57 of the circular issued by the Company. The applicable criteria on the basis of which the directors have compiled the Statement are described on page 52.

The Statement has been compiled by the directors to illustrate the impact of the proposed acquisition of the 100% interest in Outstanding Viewpoint Limited on the Group's financial position as at 30 June 2017 as if the transaction had been taken place at 30 June 2017. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's unaudited condensed financial statements as included in the interim report for the six months ended 30 June 2017, on which no review report has been published.

Directors' Responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the Statement in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline ("AG") 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the Statement and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Statement beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the directors have compiled the Statement in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Statement, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Statement.

The purpose of the Statement included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2017 would have been as presented.

A reasonable assurance engagement to report on whether the Statement has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Statement provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Statement reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the Statement has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Statement.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Statement has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Statement as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,
ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Hong Kong

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Director's interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the following Directors had or were deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, to be disclosed in this circular:

Name of Director	Nature of interest	No. of underlying shares held	Position	Approximate percentage of issued share capital
Mr. Ge Su *(Note)*	Beneficial owner	168,285	Long	0.02%
Mr. Liu Shun Fai *(Note)*	Beneficial owner	84,142	Long	0.01%

Note: The underlying shares represent share options granted by the Company pursuant to its share option scheme.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules to be notified to the Company and the Stock Exchange, to be disclosed in this circular.

(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of shareholder	Capacity	No. of Shares held	Position	Approximate percentage of issued share capital
Amcor Limited *(Note)*	Interest of controlled corporation	442,550,000	Long	47.63%
Amcor Packaging (Asia) Pty Limited *(Note)*	Interest of controlled corporation	442,550,000	Long	47.63%
Amcor Fibre Packaging-Asia Pte Limited *(Note)*	Beneficial owner	442,550,000	Long	47.63%
Wellington Management Group LLP	Investment manager	123,559,722	Long	13.30%
Prudential plc	Interest of controlled corporation	62,227,000	Long	6.70%
FMR LLC	Interest of controlled corporation	48,470,691	Long	5.22%
FIL Limited	Interest of controlled corporation	84,944,000	Long	9.14%

Note: The issued shares of Amcor Limited are listed on the Australian Stock Exchange Limited. Amcor Packaging (Asia) Pty Limited and Amcor Fibre Packaging-Asia Pte Limited are wholly owned subsidiaries of Amcor Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(c) Director's interests in competing business, contracts and assets

As at the Latest Practicable Date,

(a) none of the Directors or their respective associates had any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group;

(b) there is no contract or arrangement entered into by any member of the Group subsisting at the date of this circular in which any Director is materially interested and which is significant to the business of the Group; and

(c) none of the Directors had any direct or indirect interest in any assets which had been acquired, disposed of by or leased to, or which were proposed to be acquired, disposed of by or leased to, any member of the Group since 31 December 2016, being the date to which the latest published audited consolidated financial statements of the Group were made up.

3. MATERIAL CONTRACTS

The Sale and Purchase Agreement and the supplemental agreement dated 30 November 2017 entered into among the Vendor, the Purchaser, the Company and Tesson to supplement certain terms of the Sale and Purchase Agreement are the only contracts (not being contracts in the ordinary course of business) entered into by members of the Enlarged Group within two years immediately preceding the Latest Practicable Date and are or may be material.

4. LITIGATION

As at the Latest Practicable Date, neither the Company nor any other member of the Enlarged Group was engaged in any litigation or arbitration of material importance pending and no litigation or claim of material importance is known to the Directors to be pending or threatened against any member of the Enlarged Group.

5. EXPERT'S QUALIFICATION AND CONSENT

ZHONGHUI ANDA CPA Limited is a firm of certified public accountants which has provided its opinion contained in this circular.

ZHONGHUI ANDA CPA Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or references to its name in the form and context in which it appears.

As at the Latest Practicable Date, ZHONGHUI ANDA CPA Limited was not beneficially interested in the share capital of any member of the Group nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any Shares, convertible securities, warrants, options or derivatives which carry voting rights in any member of the Group nor did it have any interest, either direct or indirect, in any assets which have been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2016, being the date to which the latest published audited financial statements of the Group were made up.

6. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

7. MISCELLANEOUS

(a) The registered office of the Company is located at Century Yard, Cricket Square, Hutchins Drive, P. O. Box 2681 GT, George Town, Grand Cayman, Cayman Islands, British West Indies.

(b) The head office and principal place of business of the Company in Hong Kong is located at Room 601-602, 6th Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong.

(c) The company secretary and the qualified accountant of the Company is Mr. Liu Shun Fai, who is an associate member of the Hong Kong Institute of Certified Public Accountants.

(d) The Company's branch share registrar and transfer office in Hong Kong is Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

(e) The English text of this circular and form of proxy shall prevail over the Chinese text in the case of any inconsistency.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (Saturdays and public holidays excepted) from 10:00 a.m. to 12:30 p.m. and from 2:30 p.m. to 5:00 p.m. at the principal office of the Company in Hong Kong from the date of this circular up to and including the date of the EGM:

(a) the memorandum and articles of association of the Company;

(b) the annual reports of the Company for the two years ended 31 December 2016;

(c) the interim report of the Company for the six months ended 30 June 2017;

(d) the accountants' report from ZHONGHUI ANDA CPA Limited in respect of the financial information on the Target Group set out in Appendix II to this circular;

(e) the letter from ZHONGHUI ANDA CPA Limited in respect of the unaudited pro forma financial information on the Enlarged Group set out in Appendix III to this circular;

(f) the material contracts referred to in the section headed "Material contracts" in this Appendix;

(g) the written consent referred to in the section headed "Expert's qualification and consent" in this Appendix; and

(h) this circular.

AMVIG HOLDINGS LIMITED

澳 科 控 股 有 限 公 司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2300)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("**EGM**") of the shareholders of AMVIG Holdings Limited (the "**Company**") will be held at Room 601-602, 6th Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong, on Thursday, 28 December 2017 at 2:30 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

"**THAT**:

(a) the sale and purchase agreement (the "**Sale and Purchase Agreement**") entered into among Kith Limited as vendor (the "**Vendor**"), Tesson Holdings Limited as Vendor's guarantor, AMVIG Investment Limited, a wholly owned subsidiary of the Company, as purchaser (the "**Purchaser**") and the Company as the Purchaser's guarantor dated 22 September 2017 (as supplemented on 30 November 2017) in relation to the acquisition (the "**Acquisition**") of one share of US$1.00 in the issued share capital of Outstanding Viewpoint Limited and all obligation, indebtedness and liabilities due, owing or incurred by the Outstanding Viewpoint Limited and its subsidiaries and associates to the Vendor as at completion of the Acquisition, whether actual, contingent or deferred and irrespective whether or not the same is due and payable on completion of the Acquisition, at a total cash consideration of HK$700,000,000, a copy of the Sale and Purchase Agreement having been produced to the EGM and marked "A" and initialed by the chairman of the EGM for the purpose of identification, and the transactions contemplated thereby be and are hereby approved, confirmed and ratified; and

(b) any one or more directors of the Company be and are hereby authorised to do all such acts and execute all such documents as they may in their sole discretion consider necessary, expedient or desirable for the purpose of implementing or giving effect to the Sale and Purchase Agreement and completing the transactions contemplated thereby."

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

Hong Kong, 8 December 2017

* *for identification purpose only*

Registered office:
Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681GT
George Town
Grand Cayman
Cayman Islands
British West Indies

Head office and principal place of business in Hong Kong:
Room 601-602, 6th Floor
COFCO Tower
262 Gloucester Road
Causeway Bay
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.

2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the offices of the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the EGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the EGM or any adjournment thereof, should he so wish.

3. For ascertaining shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from 20 December 2017 to 28 December 2017 (both days inclusive) during which period no transfers of shares will be registered. In order to be eligible to attend and vote at the EGM, 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 Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:00 p.m. on 19 December 2017.

4. In the case of joint holders of shares, any one of such holders may vote at the EGM, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holder are present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

5. The resolution will be conducted by way of a poll.

As at the date of this notice, the Board comprises 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