



# AMVIG HOLDINGS LIMITED

澳科控股有限公司\*

(incorporated in the Cayman Islands with limited liability)  
(Stock Code: 2300)

## ANNOUNCEMENT

As part of the Group's expansion plan, the Board announced that the Group entered into the Letter of Intent for the Lease in order to capture the growing demand for tobacco packaging printing business.

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Board is pleased to announce that the Group entered into the Letter of Intent for the Lease, details of which are set out below:

### LETTER OF INTENT

Date: 9 December 2006

- Parties: (i) Famous Plus Group Limited, which is a wholly-owned subsidiary of the Company; and
- (ii) the Landlord, which together with its ultimate beneficial owner(s) are not connected persons of the Company and are independent third parties not connected with the Company and its connected persons within the meaning of the Listing Rules.

### Major terms of the Letter of Intent

Pursuant to the Letter of Intent, the Landlord shall acquire a land situated at 东莞市望牛墩鎮石排村牛頓工業園 in the PRC, with a gross area of approximately 30,000 square metres, for the construction of the production plant including office building, warehouse and dormitory (accordingly to the requirements of the Group) to be leased to the Group. The Group shall establish a wholly foreign owned enterprise in Dongguan, the PRC to enter into a formal agreement for the Lease with the Landlord within 5 working days after the wholly foreign owned enterprise has been set up. A deposit of RMB2,000,000 will be paid by the Group within seven days from the date of Letter of Intent which shall be applied as the security deposit when the formal agreement of the Lease is entered into.

Full terms of the Lease have yet to be discussed. However, it has been agreed between the parties that the Lease shall be for a term of 10 years after the production plant has been constructed by the Landlord (which is expected to be in the second half of 2007). The monthly rental for the factory, office building and the warehouse to be constructed is RMB14 per square metre and the monthly rental for the dormitory to be constructed is RMB11 per square metre (both subject to 10% increment for every five-year).

### Reason for the Lease

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

Following the major expansion arising from the acquisition of the controlling stakes in Beijing Leigh-Mardon Pacific Packaging Co., Ltd. and Qingdao Leigh-Mardon Packaging Co., Ltd., and the remaining equity interest in World Grand Holdings Limited this year, the Board has implemented an internal restructuring among the Group's production factories in order to streamline the Group's procurement activities and allocate production orders. Up to the present, the results of restructuring are encouraging and the overall utilisation and efficiency of the production capacity of the Group have been improved. In order to meet the expected strong growth in demand from its major customers, the Group has been looking for suitable locations to expand its production capacity particularly to serve the potential growth in demands from our existing customers in the Southern part of the PRC. The Lease is therefore part of the Group's expansion plan to capture the future

growing demand for tobacco packaging printing business brought about by the market consolidation in recent years.

The Board considers that the terms of the Letter of Intent are fair and reasonable and the entering into the Letter of Intent is in the interest of the Company and its shareholders as a whole.

### DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

"Board"	the board of Directors
"Company"	AMVIG Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the main board of the Stock Exchange
"Directors"	directors of the Company
"Group"	the Company and its subsidiaries (including the wholly foreign owned enterprise to be set up pursuant to the Letter of Intent)
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Landlord"	東莞市偉盈實業投資有限公司, a company established in the PRC
"Lease"	the proposed lease of the production plant including office building, warehouse and dormitory to be constructed and situated at 东莞市望牛墩鎮石排村牛頓工業園 in the PRC from the Landlord by the Group
"Letter of Intent"	the letter of intent entered into between the Group and the Landlord dated 9 December 2006 in relation to the Lease
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan
"RMB"	renminbi, the lawful currency of the PRC
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

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

Hong Kong, 12 December 2006

*As at the date of this announcement, the Board comprised Mr. Chan Chew Keak, Billy, Mr. Li Wei Bo, Mr. Li Shui Dang, Mr. Chan Sai Wai, Mr. Ng Sai Kit and Mr. Lee Cheuk Yin, Dannis as executive Directors, Mr. David John Cleveland Hodge and Mr. Peter Roderick Downing as non-executive Directors, and Mr. Tay Ah Kee, Keith, Mr. Au Yeung Tin Wah and Mr. Oh Choon Gan as independent non-executive Directors.*

\* For identification purposes only