Arts Group

**ARTS OPTICAL INTERNATIONAL HOLDINGS LIMITED**

**雅視光學集團有限公司***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1120)**

# ANNOUNCEMENT PURSUANT TO RULE 13.51B(2) OF THE LISTING RULES

This announcement is made pursuant to Rule 13.51B(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Arts Optical International Holdings Limited (the "Company" together with its subsidiaries, the "Group") received a notice dated 27th November, 2017 from Mr. Wong Chi Wai ("Mr. Wong"), an independent non-executive director of the Company, advising that under the resolution by agreement with the Hong Kong Institute of Certified Public Accountants ("HKICPA"), HKICPA concluded that Mr. Wong was in breach of sections 100.5(c) and 130.1 of the Code of Ethics for Professional Accountants for failure to act diligently in accordance with applicable technical and professional standards when they provided professional services based on the findings against Mr. Wong by the United States Public Company Accounting Oversight Board ("PCAOB") on 18th May, 2016. As such, HKICPA reprimanded Mr. Wong and levied an administrative penalty of HK$25,000 and costs of HK$10,000 jointly with other respondents. For details of the findings of PCAOB, please refer to our announcement made on 20th May, 2016.

* *For identification purpose only*

The board of directors of the Company (the "Board") confirms that the above resolution against Mr. Wong is unrelated to the business, financial position or operation of the Group. The Board does not consider that the above resolution would have any impact on Mr. Wong's discharge of his duties as an independent non-executive director, the chairman of the audit committee and a member of the remuneration committee and the nomination committee of the Company. Mr. Wong has confirmed to the Company that save as disclosed in this announcement, there are no other matters that need to be brought to the attention of the shareholders of the Company.

On behalf of the Board
**Ng Hoi Ying, Michael**
*Chairman*

Hong Kong, 28th November, 2017

*As at the date of this announcement, the Board comprises five directors, two of whom are executive directors, namely Mr. Ng Hoi Ying, Michael and Mr. Ng Kim Ying, and three are independent non-executive directors, namely Mr. Wong Chi Wai, Mr. Chung Hil Lan Eric and Mr. Lam Yu Lung.*