G-VISION INTERNATIONAL (HOLDINGS) LIMITED
環科國際集團有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 657)

2007/08 INTERIM RESULTS ANNOUNCEMENT

The Board of Directors of G-Vision International (Holdings) Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2007. The unaudited results have been reviewed by Deloitte Touche Tohmatsu and the Company's Audit Committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2007

	Notes	**1.4.2007 to 30.9.2007** *HK$'000* **(unaudited)**	1.4.2006 to 30.9.2006 *HK$'000* (unaudited)
Turnover	3	**47,926**	49,564
Cost of sales		**(19,051)**	(21,643)
Gross Profit		**28,875**	27,921
Other income		**416**	318
Restaurant operation expenses		**(26,577)**	(25,527)
Administrative expenses		**(4,257)**	(5,689)
Finance costs		**(447)**	(471)
Loss for the period	4	**(1,990)**	(3,448)
Attributable to:			
Equity holders of the parent		**(1,985)**	(3,443)
Minority interests		**(5)**	(5)
		(1,990)	(3,448)
Loss per share			
Basic	6	**(HK0.4 cent)**	(HK0.7 cent)

* *For identification purpose only*

CONDENSED CONSOLIDATED BALANCE SHEET

At 30 September 2007

	Notes	**30.9.2007** ***HK$'000*** **(unaudited)**	31.3.2007 *HK$'000* (audited)
Non-current assets			
Property, plant and equipment		**1,831**	2,411
Investment properties		**56,210**	56,210
		58,041	58,621
Current assets			
Inventories		**4,202**	4,266
Trade and other receivables	7	**6,600**	7,054
Taxation recoverable		**178**	133
Pledged bank deposits		**965**	919
Bank balances and cash		**13,876**	14,128
		25,821	26,500
Current liabilities			
Trade and other payables	8	**9,597**	10,414
Amounts due to directors		**11,475**	10,200
Amounts due to minority shareholders		**286**	281
		21,358	20,895
Net current assets		**4,463**	5,605
Total assets less current liabilities		**62,504**	64,226
Non-current liabilities			
Loans from a related company		**21,224**	20,777
		41,280	43,449
Capital and reserves			
Share capital		**48,485**	48,485
Reserves		**(23,268)**	(21,104)
Equity attributable to equity holders of the parent		**25,217**	27,381
Minority interests		**16,063**	16,068
Total equity		**41,280**	43,449

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2007

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for investment properties, which are measured at fair values.

The accounting policies adopted in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual audited financial statements for the year ended 31 March 2007.

In the current interim period, the Group has applied, for the first time, a number of new Hong Kong Financial Reporting Standard ("HKFRSs"), amendment of Hong Kong Accounting Standard ("HKAS") and Interpretations ("INTs") (hereinafter collectively referred to as "new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1 April 2007. The adoption of the new HKFRSs had no material effect on the results and financial position for the current and prior accounting periods. Accordingly, no prior period adjustment is required.

The Group has not early applied the following new standards, amendments or interpretations that have been issued but are not yet effective:

HKAS 23 (Revised)	Borrowing cost[1]
HKFRS 8	Operating segments[1]
HK(IFRIC) – INT 12	Service concession arrangements[2]
HK(IFRIC) – INT 13	Customer loyalty programmes[3]
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction[2]

1 Effective for accounting periods beginning on or after 1 January 2009.
2 Effective for accounting periods beginning on or after 1 January 2008.
3 Effective for accounting periods beginning on or after 1 July 2008.

The directors of the Company anticipate that the application of these standards, amendments or interpretations will have no material impact on the financial statements of the Group.

3. SEGMENT INFORMATION

Business segments

For management purposes, the Group is currently organised into three main operating divisions – restaurant operations, environmental friendly paper tableware and property investment. These divisions are the basis on which the Group reports its primary segment information.

	Restaurant operations *HK$'000*	**Environmental friendly paper tableware** *HK$'000*	**Property investment** *HK$'000*	**Total** *HK$'000*
Six months ended 30 September 2007				
TURNOVER				
External	**44,479**	**3,447**	**–**	**47,926**
SEGMENT RESULT	**(1,467)**	**(202)**	**(19)**	**(1,688)**
Unallocated corporate expenses				**(35)**
Interest income				**180**
Finance costs				**(447)**
Loss for the period				**(1,990)**

	Restaurant operations *HK$'000*	Environmental friendly paper tableware *HK$'000*	Property investment *HK$'000*	Total *HK$'000*
Six months ended 30 September 2006				
TURNOVER				
External	42,617	6,947	–	49,564
SEGMENT RESULT	(1,711)	(1,343)	(13)	(3,067)
Unallocated corporate expenses				(47)
Interest income				137
Finance costs				(471)
Loss for the period				(3,448)

4. LOSS FOR THE PERIOD

	1.4.2007 to 30.9.2007	1.4.2006 to 30.9.2006
	HK$'000	*HK$'000*
Loss for the period has been arrived at after charging (crediting):		
Depreciation	**625**	761
Interest income	**(180)**	(137)

5. TAXATION

No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as the Company and its subsidiaries either did not have assessable profit for the period or the assessable profit had been wholly absorbed by tax losses brought forward.

6. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to equity holders of the parent for the period of HK$1,985,000 (six months ended 30 September 2006: HK$3,443,000) and on the 484,853,527 shares (six months ended 30 September 2006: 484,853,527 shares) in issue during the period.

No diluted loss per share is presented for both periods because the assumed exercise of the Company's share options would result in a decrease in loss per share.

7. TRADE AND OTHER RECEIVABLES

Most of the restaurant customers settle in cash and credit cards. The Group allows an average credit period of 60 days to other trade customers.

The following is an aged analysis of trade receivables at the reporting date:

	30.9.2007	31.3.2007
	HK$'000	*HK$'000*
0 – 60 days	**1,621**	1,911
61 – 90 days	**5**	13
More than 90 days	**26**	26
	1,652	1,950

8. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables at the reporting date:

	30.9.2007	31.3.2007
	HK$'000	*HK$'000*
0 – 60 days	**3,235**	3,480
More than 60 days	**1,122**	1,136
	4,357	4,616

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

For the six months ended 30 September 2007, the Group recorded a consolidated turnover of approximately HK$47.9 million, representing a decrease of approximately HK$1.6 million or 3.3% compared to the last corresponding period. The decrease was mainly attributable to decreased sales in the Group's environmental friendly paper tableware business.

The net loss for the period under review was approximately HK$2.0 million, representing a decrease of 42% as compared to the net loss of approximately HK$3.5 million of the last corresponding period. The improvement in the overall results was mainly due to an approximately HK$1.4 million decrease in administrative expenses.

Review of Operations

The Group's restaurant operation in Hong Kong continues to provide a stable source of revenue and remains the largest contributor to turnover, generating 93% of the Group's turnover for the period under review. The segment turnover related to the reporting period increased by 4.4% to HK$44.5 million, while the segment loss declined by 14% to HK$1.5 million. The improvement in sales and profit margin was partly offset by a substantial increase in rental expenditure of approximately HK$1.6 million.

The Group's environmental friendly paper tableware segment recorded a turnover of approximately HK$3.5 million which is below the last corresponding period's turnover of approximately HK$6.9 million. The decline in sales was mainly due to reduced orders from our US customers. The segment loss however was HK$0.2 million, representing an improvement of HK$1.1 million from the last corresponding period and was mainly attributable to lower operating and administrative costs.

Liquidity and Financial Resources

The Group's cash and bank balances (including pledged bank deposits) amounted to approximately HK$14.8 million as at 30 September 2007. As the Group had no bank borrowings, the Group's gearing ratio was zero as at 30 September 2007 and 31 March 2007.

The Group has obtained loan facilities from a related company, Hover City Industrial Limited, which bear interest at 3% below the best lending rate quoted by a bank in Hong Kong. As at 30 September 2007, the sum drawn down by the Group was approximately HK$18.8 million (31 March 2007: HK$18.8 million), with accrued interests of approximately HK$2.4 million (31 March 2007: HK$2.0 million). The loans are repayable in one lump sum (including accrued interests) by 31 December 2008.

With the cash generated from the Group's operation in its ordinary course of business and the existing unutilised loan facilities, the directors consider that the Group has sufficient working capital for its operation.

Foreign Exchange Exposure

As most of our sales, purchases, cash and bank balances were denominated in Hong Kong dollars during the period, the Group was not exposed to material foreign exchange risks.

Employees and Remuneration Policies

At 30 September 2007, the Group had approximately 230 staff. Review of the employees' remuneration packages is normally conducted annually and as required from time to time. The salary and benefit levels of the Group's employees are competitive and individual performance is rewarded through the Group's bonus scheme. Other benefits including medical coverage and Mandatory Provident Fund Scheme are also provided to employees.

INTERIM DIVIDEND

The Board of Directors has resolved not to declare any interim dividend for the six months ended 30 September 2007 (for the six months ended 30 September 2006: Nil).

PROSPECTS

The second half of the financial year is traditionally the peak season for the food and beverage industry. The Group expects its restaurant business to achieve higher turnover and positive results benefiting from the generally favourable economic environment, higher consumer expenditure and increased number of tourists during the festive season. For the Group's environmental friendly paper tableware business, through our continuous effort to restructure the plant operation and to explore new business opportunities, we aim to improve the overall sales and results in the near future.

Management review has been conducted across all business segments of the Group with the aim to better position the Group to meet the challenges ahead and to capture any business opportunities as they arise.

PURCHASE, SALE OR REDEMPTION OF SHARES

There was no purchase, sale or redemption of the Company's shares by the Company or any of its subsidiaries during the period under review.

CODE ON CORPORATE GOVERNANCE PRACTICE

The Company has applied the principles and complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 (the "Code") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months period ended 30 September 2007 except for Code provision A.2.1 in respect of the role separation of the chairman and the chief executive officer and Code provision A.4.1 in respect of the service term of non-executive directors.

Code provision A.2.1 sets out that the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. Currently, Mr. Cheng Hop Fai assumes the role of both the Chairman and the Managing Director of the Company. The Board considers that such arrangement will not result in undue concentration of power and is, at this stage, conducive to the efficient formulation and implementation of the Group's strategies thus allowing the Group to develop its business more effectively.

Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The independent non-executive directors ("INEDs") of the Company are not appointed for a specific term. This constitutes a deviation from Code provision A.4.1. However, as all the INEDs of the Company are subject to retirement by rotation at the annual general meetings of the Company in accordance with the Company's Bye-laws, in the opinion of the directors, this meets the objective of the Code.

AUDIT COMMITTEE

The members of the Audit Committee are Ms. Kan Lai Kuen, Alice (Chairman), Mr. Law Toe Ming and Mr. Mark Yiu Tong, William, the INEDs of the Company. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed with the Board of Directors the internal control and financial reporting matters including the unaudited interim financial statements for the six months ended 30 September 2007.

REMUNERATION COMMITTEE

Pursuant to Code provision B.1.1, the Company has established a Remuneration Committee comprising the three INEDs, namely Mr. Law Toe Ming (Chairman), Ms. Kan Lai Kuen, Alice and Mr. Mark Yiu Tong, William. The terms of reference of the Remuneration Committee are consistent with the Code provisions. The principal function of the Remuneration Committee is to make recommendation to the Board on the Group's policy and structure for the remuneration of directors and senior management.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors. Following specific enquiry by the Company, all the directors have confirmed that they have complied with the required standards as set out in the Model Code during the six months period ended 30 September 2007.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement is published on the websites of the Company (www.g-vision.com.hk) and the Stock Exchange (www.hkex.com.hk). The Company's Interim Report 2007/2008 will be despatched to the shareholders and posted on the said websites in due course.

By Order of the Board
Cheng Hop Fai
Chairman

Hong Kong, 18 December 2007

As at the date of this announcement, the Board is composed of 7 Directors. The executive Directors are Mr. Cheng Hop Fai (Chairman), Mrs. Cheng Kwok Kwan Yuk, Ms. Cheng Pak Ming, Judy and Miss Cheng Pak Man, Anita, and the independent non-executive Directors are Mr. Law Toe Ming, Mr. Mark Yiu Tong, William and Ms. Kan Lai Kuen, Alice.