G-VISION INTERNATIONAL (HOLDINGS) LIMITED
環科國際集團有限公司*
(incorporated in Bermuda with limited liability)

(Stock code: 657)

ANNOUNCEMENT OF RESULTS
FOR THE YEAR ENDED 31 MARCH 2009

The Board of Directors of G-Vision International (Holdings) Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2009 together with comparative figures for the corresponding previous year, as follows:

CONSOLIDATED INCOME STATEMENT
For the year ended 31 March 2009

	NOTES	**2009** *HK$'000*	2008 *HK$'000*
Turnover	2	**94,126**	104,732
Other income		**1,341**	1,238
(Decrease) increase in fair value of investment properties		**(4,850)**	3,580
Cost of inventories consumed		**(36,154)**	(41,089)
Staff costs		**(30,717)**	(33,149)
Operating lease rentals		**(14,186)**	(13,141)
Depreciation		**(179)**	(1,282)
Other operating expenses		**(20,655)**	(18,416)
Impairment loss recognised in respect of property, plant and equipment		**(1,270)**	–
Finance costs	3	**(405)**	(782)
(Loss) profit before taxation	4	**(12,949)**	1,691
Taxation	5	**–**	–
(Loss) profit for the year		**(12,949)**	1,691
Attributable to:			
Equity holders of the Company		**(11,583)**	633
Minority interests		**(1,366)**	1,058
		(12,949)	1,691
(Loss) earnings per share			
– Basic	6	**HK(2.39) cents**	HK0.13 cents
– Diluted		**N/A**	HK0.13 cents

CONSOLIDATED BALANCE SHEET

At 31 March 2009

	NOTES	**2009** **HK$'000**	2008 HK$'000
Non-current assets			
Property, plant and equipment		**–**	1,343
Investment properties		**54,940**	59,790
		54,940	61,133
Current assets			
Inventories		**1,756**	4,061
Trade receivables, deposits and prepayments	7	**5,564**	6,581
Taxation recoverable		**–**	67
Pledged bank deposits		**995**	979
Bank balances and cash		**15,813**	17,057
		24,128	28,745
Current liabilities			
Trade and other payables	8	**9,077**	9,697
Amounts due to directors		**147**	12,750
Amounts due to minority shareholders		**296**	290
		9,520	22,737
Net current assets		**14,608**	6,008
Total assets less current liabilities		**69,548**	67,141
Non-current liabilities			
Loans from a related company		**21,964**	21,559
Amounts due to directors		**15,300**	–
		37,264	21,559
Net assets		**32,284**	45,582
Capital and reserves			
Share capital		**48,485**	48,485
Reserves		**(31,961)**	(20,029)
Equity attributable to equity holders of the Company		**16,524**	28,456
Minority interests		**15,760**	17,126
Total equity		**32,284**	45,582

NOTES:

1. APPLICATION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS"s)

In the current year, the Group has applied, for the first time, the following new standard, amendment of Hong Kong Accounting Standards ("HKAS"s) and interpretations ("INT"s) (hereinafter collectively referred to as "new HKFRS"s) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are or have become effective.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of financial assets
HK(IFRIC) – INT 12	Service concession arrangements
HK(IFRIC) – INT 14	HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction

The adoption of the new HKFRSs has no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective. The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

HKFRSs (Amendments)	Improvements to HKFRSs[1]
HKFRSs (Amendments)	Improvements to HKFRSs 2009[2]
HKAS 1 (Revised)	Presentation of financial statements[3]
HKAS 23 (Revised)	Borrowing costs[3]
HKAS 27 (Revised)	Consolidated and separate financial statements[4]
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation[3]
HKAS 39 (Amendment)	Eligible hedged items[4]
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate[3]
HKFRS 2 (Amendment)	Vesting conditions and cancellations[3]
HKFRS 3 (Revised)	Business combinations[4]
HKFRS 7 (Amendment)	Improving disclosures about financial instruments[3]
HKFRS 8	Operating segments[3]
HK(IFRIC) – INT 9 & HKAS 39 (Amendments)	Embedded derivatives[5]
HK(IFRIC) – INT 13	Customer loyalty programmes[6]
HK(IFRIC) – INT 15	Agreements for the construction of real estate[3]
HK(IFRIC) – INT 16	Hedges of a net investment in a foreign operation[7]
HK(IFRIC) – INT 17	Distribution of non-cash assets to owners[4]
HK(IFRIC) – INT 18	Transfers of assets from customers[8]

[1] Effective for annual periods beginning on or after 1 January 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1 July 2009.
[2] Effective for annual periods beginning on or after 1 January 2009, 1 July 2009 and 1 January 2010, as appropriate.
[3] Effective for annual periods beginning on or after 1 January 2009.
[4] Effective for annual periods beginning on or after 1 July 2009.
[5] Effective for annual periods ending on or after 30 June 2009.
[6] Effective for annual periods beginning on or after 1 July 2008.
[7] Effective for annual periods beginning on or after 1 October 2008.
[8] Effective for transfers on or after 1 July 2009.

Basis of preparation:

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

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and the Hong Kong Companies Ordinance.

2. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group is currently organised into three main operating divisions - restaurant operations, environmental friendly paper tableware and property investment.

Segment information about these businesses is presented below.

Year ended 31 March 2009

Consolidated income statement

	Restaurant operations *HK$'000*	Environmental friendly paper tableware *HK$'000*	Property investment *HK$'000*	Consolidated *HK$'000*
TURNOVER	**91,205**	**2,921**	**–**	**94,126**
RESULT				
Segment result	**(4,783)**	**(2,293)**	**(5,326)**	**(12,402)**
Unallocated corporate expenses				**(350)**
Interest income				**208**
Finance costs				**(405)**
Loss for the year				**(12,949)**

At 31 March 2009

Consolidated balance sheet

	Restaurant operations HK$'000	Environmental friendly paper tableware HK$'000	Property investment HK$'000	Consolidated HK$'000
ASSETS				
Segment assets	**7,064**	**254**	**54,940**	**62,258**
Unallocated corporate assets				**16,810**
Consolidated total assets				**79,068**
LIABILITIES				
Segment liabilities	**6,587**	**1,459**	**362**	**8,408**
Unallocated corporate liabilities				**669**
Amounts due to directors				**15,447**
Amounts due to minority shareholders				**296**
Loans from a related company				**21,964**
Consolidated total liabilities				**46,784**

Other information

	Restaurant operations HK$'000	Environmental friendly paper tableware HK$'000	Property investment HK$'000	Consolidated HK$'000
Capital additions	**106**	**–**	**–**	**106**
Depreciation	**179**	**–**	**–**	**179**
Impairment loss recognized in respect of property, plant and equipment	**1,270**	**–**	**–**	**1,270**

Year ended 31 March 2008

Consolidated income statement

	Restaurant operations *HK$'000*	Environmental friendly paper tableware *HK$'000*	Property investment *HK$'000*	Consolidated *HK$'000*
TURNOVER	98,093	6,639	–	104,732
RESULT				
Segment result	291	26	3,082	3,399
Unallocated corporate expenses				(1,303)
Interest income				377
Finance costs				(782)
Profit for the year				1,691

At 31 March 2008

Consolidated balance sheet

	Restaurant operations *HK$'000*	Environmental friendly paper tableware *HK$'000*	Property investment *HK$'000*	Consolidated *HK$'000*
ASSETS				
Segment assets	8,926	3,099	59,790	71,815
Unallocated corporate assets				18,063
Consolidated total assets				89,878
LIABILITIES				
Segment liabilities	6,951	2,676	30	9,657
Unallocated corporate liabilities				40
Amounts due to directors				12,750
Amounts due to minority shareholders				290
Loans from a related company				21,559
Consolidated total liabilities				44,296

Other information

	Restaurant operations HK$'000	Environmental friendly paper tableware HK$'000	Property investment HK$'000	Consolidated HK$'000
Capital additions	214	–	–	214
Depreciation	1,282	–	–	1,282

Geographical segments

The Group's operations are located in Hong Kong and other parts of the People's Republic of China (the "PRC"). The Group's restaurant operations are located in Hong Kong, while the property investment operations are located in the PRC. The environmental friendly paper tableware operations are located in both Hong Kong and the PRC.

An analysis of the Group's turnover by geographical market by location of customers, irrespective of the origin of the goods/services, is as follows:

	Turnover	
	2009	2008
	HK$'000	*HK$'000*
Hong Kong	**91,205**	98,149
Others	**2,921**	6,583
	94,126	104,732

An analysis of the carrying amount of segment assets, and additions to property, plant and equipment, analysed by the geographical area in which the assets are located is as follows:

	Carrying amount of segment assets		**Additions to property, plant and equipment**	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**7,064**	9,407	**106**	214
The PRC	**55,194**	62,408	**–**	–
	62,258	71,815	**106**	214

3. FINANCE COSTS

	2009	2008
	HK$'000	*HK$'000*
Interest on loans from a related company wholly repayable within five years	**405**	782

4. (LOSS) PROFIT BEFORE TAXATION

	2009	2008
	HK$'000	*HK$'000*
(Loss) profit before taxation has been arrived at after charging:		
Directors' remuneration	**4,576**	5,377
Other staff costs, including retirement benefits costs	**26,141**	27,772
Total staff costs	**30,717**	33,149
Auditor's remuneration	**400**	440
Cost of inventories recognised as an expense	**36,154**	41,089
Depreciation	**179**	1,282
and after crediting:		
Gain on disposal of property, plant and equipment	**550**	197
Interest income	**208**	377

5. TAXATION

No provision for taxation has been made in the consolidated financial statements as the Company and certain subsidiaries have no assessable profit for the year. No tax is payable for the remaining subsidiaries since the estimated assessable profit is wholly absorbed by tax losses brought forward.

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which reduced corporate profits tax rate form 17.5% to 16.5% effective form the year of assessment 2008/2009. Therefore, Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) of the estimated assessable profit for the year.

6. (LOSS) EARNINGS PER SHARE

The calculation of basic and diluted (loss) earnings per share is based on the following data:

	2009	2008
	HK$'000	*HK$'000*
(Loss) profit attributable to equity holders of the Company	**(11,583)**	633

	Number of shares	
	2009	2008
Weighted average number of ordinary shares for the purpose of calculating basic (loss) earnings per share	**484,853,527**	484,853,527
Effect of dilutive potential ordinary shares - options		19,038,844
Weighted average number of shares for the purpose of calculating diluted earnings per share		503,892,371

No diluted loss per share is presented in the current year since the exercise of share options would result in a decrease in the loss per share.

7. TRADE RECEIVABLES, DEPOSITS AND PREPAYMENTS

Included in trade receivables, deposits and prepayments are trade receivables of HK$929,000 (2008: HK$1,619,000). 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, net of allowances, at the balance sheet date:

	2009	2008
	HK$'000	*HK$'000*
0 - 60 days	**928**	1,573
61 - 90 days	**–**	20
More than 90 days	**1**	26
	929	1,619

Management closely monitors the credit quality of trade receivables and considers trade receivables that are neither past due nor impaired to be of a good quality. The directors consider that trade receivables at the respective balance sheet date, which have been past due and the Group has not provided impairment loss for to be insignificant.

8. **TRADE AND OTHER PAYABLES**

Included in trade and other payables are trade payables of HK$3,103,000 (2008: HK$3,782,000). The following is an aged analysis of trade payables at the balance sheet date:

	2009	2008
	HK$'000	*HK$'000*
0 - 60 days	**2,061**	2,697
More than 60 days	**1,042**	1,085
	3,103	3,782

DIVIDEND

The Board has resolved not to declare any final dividend for the year ended 31 March 2009 (2008: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 16 September 2009 to Monday 21 September 2009 (both days inclusive) for the purpose of establishing entitlement of shareholders to attend and vote at the forthcoming Annual General Meeting of the Company. During this period no transfers of shares will be registered. All transfers accompanied by the relevant share certificates must be lodged with the Company's branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 15 September 2009.

RESULTS

The audited consolidated loss attributable to shareholders of the Group for the year ended 31 March 2009 was approximately HK$11,583,000. Loss per share based on 484,853,527 shares in issue amounted to HK$2.39cents.

REVIEW OF OPERATIONS

For the year ended 31 March 2009, the Group recorded a consolidated turnover of approximately HK$94.1 million, representing a decrease of approximately 10% over last year's consolidated turnover. The net loss for the year amounted to approximately HK$12.9 million compared to last year's net profit of approximately HK$1.7 million.

The Group's restaurant business remains the largest contributor to turnover, accounting for approximately 97% of the Group's turnover for the year under review. However, the year 2008 marked a challenging year for the Group's operations. In the first half of the year, the economy shrank due to high inflation and global economic downturn and was further depressed by the global financial turmoil since the second half. Domestic consumption and spending weakened amidst declining asset prices and increasing unemployment. The sharp decline in the number of tourists visiting Hong Kong had a great impact on the food and beverage industry. As a result of the unfavorable market condition, the turnover for the restaurant operations had dropped by 7% as compared to last year. Despite the profit margin being maintained at last year's level, the segment loss escalated to approximately HK$4.8 million owing to lower turnover, fixed assets impairment costs of HK$1.3 million, higher rental and increasing operating costs.

The Group's environmental friendly tableware business recorded a decrease of over 50% in turnover due to weakening export sales. In view of the persistent unsatisfactory performance of this segment, the management had further scaled down its operation in the PRC and all obsolete stocks have been fully written off in the year under review.

The PRC property market was also affected by the global financial crisis. Property price slumped significantly towards the end of 2008. Accordingly, the fair value of the Group's investment properties in the PRC was adjusted downward to approximately HK$54.9 million, representing a decrease of 8% compared to last year.

PROSPECTS

The operating environment for the Group's restaurant operations will continue to be challenging in the year ahead due to the outbreak of the swine flu, the high unemployment rate and the weak domestic economy. However, it is envisaged that the Hong Kong economy and hence our business can improve towards the end of 2009 following the implementation of different measures by the Hong Kong government to boost local expenditure. For the Group's environmental friendly tableware business, the Group will scale down its own production and focus on the trading of products with higher profit margin.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's cash and bank balances (including pledged bank deposits) amounted to approximately HK$16.8 million as at 31 March 2009. As the Group had no bank borrowings, the Group's gearing ratio was zero as at 31 March 2009 and 31 March 2008.

The Group has obtained loan facilities from a related company, Hover City Industrial Limited ("Hover City"), which bears interest at 3% below the best lending rate quoted by a bank in Hong Kong. As at 31 March 2009, the sum drawn down by the Group was approximately HK$18.8 million (31 March 2008: HK$18.8 million), with accrued interests of approximately HK$3.16 million (31 March 2008: HK$2.8 million). The loans are repayable in one lump sum (including accrued interests) by 31 December 2010.

With the cash generated from the Group's operations in its ordinary course of business and the existing unutilised banking and credit facilities, the Board considers that the Group has sufficient working capital for its operations.

EXCHANGE EXPOSURE

As most of the Group's sales, purchases, cash and bank balances were denominated in Hong Kong dollars and United States dollars, the Group was not exposed to material foreign exchange risks.

EMPLOYEES

At 31 March 2009, the Group had approximately 200 staff. Total staff costs including directors' remuneration amounted to approximately HK$30.9 million (31 March 2008: HK$33.1 million) for the year under review.

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.

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 year.

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 year ended 31 March 2009 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 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 audit committee which comprises the three independent non-executive directors of the Company has reviewed with management and approved the consolidated accounts for the year ended 31 March 2009.

ANNUAL REPORT

The Annual Report 2008-9 containing all the information required by the Listing Rules will be published on the websites of the Company and the Stock Exchange.

ACKNOWLEDGEMENTS

I would like to express my gratitude to the management and staff members of the Group for their dedication and invaluable efforts and contributions to the Group during the year.

By Order of the Board
Cheng Hop Fai
Chairman

Hong Kong, 2 July 2009

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Cheng Hop Fai, Mrs. Cheng Kwok Kwan Yuk, Ms. Cheng Pak Ming, Judy, Miss Cheng Pak Man, Anita and Mr. Zhang Yunkun as Executive Directors, Mr. Mark Yiu Tong, William, Mr. Law Toe Ming and Ms. Kan Lai Kuen, Alice as Independent Non-Executive Directors.

* *For identification purpose only*