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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 2012

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 2012 together with comparative figures for the corresponding previous year, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2012

	NOTES	**2012** *HK$'000*	2011 *HK$'000*
Continuing operation			
Turnover	3	**91,027**	79,817
Other income and other gains		**2,974**	3,809
Cost of inventories consumed		**(33,408)**	(29,452)
Staff costs		**(31,225)**	(36,120)
Operating lease rentals		**(12,769)**	(12,118)
Depreciation		**(2,662)**	(1,942)
Impairment loss on available-for-sale investments		**(1,500)**	–
Other operating expenses and other losses		**(20,024)**	(17,873)
Loss for the year from continuing operation	4	**(7,587)**	(13,879)
Discontinued operations			
Profit for the year from discontinued operations	5	**792**	226

* *for identification purpose only*

	NOTES	**2012** *HK$'000*	2011 *HK$'000*
Loss for the year		**(6,795)**	(13,653)
Other comprehensive (expense) income:			
Change in fair value of available-for-sale investments		**(1,685)**	(277)
Reclassification adjustment relating to impairment loss on available-for-sale investments		**1,500**	–
Exchange differences arising from translation of foreign operations		**(505)**	(632)
Exchange differences released upon deregistration of a subsidiary		**2,885**	–
Total comprehensive expense for the year		**(4,600)**	(14,562)
(Loss) profit for the year attributable to owners of the Company			
– from continuing operation		**(7,587)**	(13,879)
– from discontinued operations		**209**	140
Loss for the year attributable to owners of the Company		**(7,378)**	(13,739)
Profit for the year attributable to non-controlling interests			
– from discontinued operations		**583**	86
		(6,795)	(13,653)
Total comprehensive (expense) income attributable to:			
Owners of the Company		**(5,183)**	(14,648)
Non-controlling interests		**583**	86
		(4,600)	(14,562)
Basic loss per share	7		
– From continuing and discontinued operations		**(HK0.38 cents)**	(HK0.71 cents)
– From continuing operation		**(HK0.39 cents)**	(HK0.72 cents)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2012

	NOTES	**2012** **HK$'000**	2011 HK$'000
Non-current assets			
Property, plant and equipment		**8,708**	11,356
Investment properties		**–**	50,000
Available-for-sale investments		**7,891**	9,576
Property rental deposits		**1,497**	2,473
		18,096	73,405
Current assets			
Inventories		**2,391**	1,677
Trade and other receivables	8	**52,881**	2,337
Pledged bank deposits		**1,004**	1,003
Bank balances and cash		**69,090**	87,412
		125,366	92,429
Current liabilities			
Trade and other payables	9	**6,620**	7,404
Amounts due to non-controlling shareholders of subsidiaries		**–**	316
		6,620	7,720
Net current assets		**118,746**	84,709
Net assets		**136,842**	158,114
Capital and reserves			
Share capital		**193,941**	193,941
Reserves		**(57,099)**	(52,970)
Equity attributable to owners of the Company		**136,842**	140,971
Non-controlling interests		**–**	17,143
Total equity		**136,842**	158,114

NOTES:

1. BASIS OF PREPARATION:

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include 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 consolidated financial statements have been prepared on the historical cost basis except for investment properties and available-for-sale investments, which are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange of goods.

2. APPLICATION OF NEW AND REVISED HKFRSs

In the current year, the Group has applied the following new and revised standards, amendments and interpretations issued by the HKICPA.

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related party disclosures
Amendments to HK(IFRIC*) – INT 14	Prepayments of a minimum funding requirement
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instruments

* IFRIC represents the IFRS Interpretations Committee.

The adoption of the new and revised standards, amendments and interpretations in the current year has had no material effect on the consolidated financial statements.

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

Amendments to HKFRSs	Annual improvements to HKFRSs 2009-2011 cycle[2]
Amendments to HKFRS 7	Disclosures – Transfers of financial assets[1]
Amendments to HKFRS 7	Disclosures – Offsetting financial assets and financial liabilities[2]
HKFRS 9	Financial instruments[3]
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures[3]
HKFRS 10	Consolidated financial statements[2]
HKFRS 11	Joint arrangements[2]
HKFRS 12	Disclosure of interests in other entities[2]
HKFRS 13	Fair value measurement[2]
Amendments to HKAS 1	Presentation of items of other comprehensive income[5]
Amendments to HKAS 12	Deferred tax: Recovery of underlying assets[4]
HKAS 19 (as revised in 2011)	Employee benefits[2]
HKAS 27 (as revised in 2011)	Separate financial statements[2]
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures[2]
Amendments to HKAS 32	Offsetting financial assets and financial liabilities[6]
HK(IFRIC) – INT 20	Stripping costs in the production phase of a surface mine[2]

[1] Effective for annual periods beginning on or after 1 July 2011.
[2] Effective for annual periods beginning on or after 1 January 2013.
[3] Effective for annual periods beginning on or after 1 January 2015.
[4] Effective for annual periods beginning on or after 1 January 2012.
[5] Effective for annual periods beginning on or after 1 July 2012.
[6] Effective for annual periods beginning on or after 1 January 2014.

HKFRS 9 Financial instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

HKFRS 9 requires all recognised financial assets that are within the scope of HKAS 39 "Financial instruments: Recognition and measurement" to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Currently, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The directors anticipate that HKFRS 9 that will be adopted in the Group's consolidated financial statements for the financial year ending 31 March 2016 and that the application of the new standard may affect the classification and measurement in respect of the Group's available-for-sale investments.

HKFRS 10 Consolidated financial statements

HKFRS 10 replaces the parts of HKAS 27 "Consolidated and separate financial statements" that deal with consolidated financial statements and HK (SIC) – INT 12 "Consolidation – Special purpose entities". HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 10 is effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that it is applied early at the same time with HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

The directors anticipate the HKFRS 10 will be adopted in the Group's consolidated financial statements for the financial year ending 31 March 2014. The application of HKFRS 10 is unlikely to have significant impact on amounts reported in the consolidated financial statements.

HKFRS 13 Fair value measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 "Financial instruments: Disclosures" will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that HKFRS 13 will be adopted in the Group's consolidated financial statements for the financial year ending 31 March 2014 and that the application of the new standard is unlikely to have significant impact on the amounts reported and disclosures in the consolidated financial statements.

Amendments to HKAS 1 Presentation of items of other comprehensive income

The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

The directors anticipate that the Amendments to HKAS 1 will be adopted in the Group's consolidated financial statements for the financial year ending 31 March 2014 and that the application of the new standard is unlikely to have significant impact on the consolidated financial statements.

The directors of the Company anticipate that the application of the other new and revised standards, amendments and interpretations will have no material impact on the consolidated financial statements.

3. TURNOVER AND SEGMENT INFORMATION

Turnover represents the net amounts received and receivable for goods sold and services rendered by the Group, net of discounts and sales related taxes during the year.

The Group was previously organised into two reportable segments: restaurant operation and property investment. During the year, the Group's chief operating decision maker, being the executive directors, have changed the structure of its internal organisation for resources allocation and performance assessment of the Group following the disposal of the Group's investment properties and the deregistration of the Group's subsidiary which was previously engaged in environmental friendly paper tableware operations (details of which are set out in Note 5). Subsequent to such change, financial information provided to the chief operating decision maker for performance assessment is based on the overall operating results which constitute the consolidated statement of comprehensive income and the consolidated statement of financial position. Financial information regarding the segment can be made reference to the result of continuing operation as set out in the consolidated statement of comprehensive income.

As the Group's operating segment information reported to the chief operating decision maker has been changed, the comparative information presented for the year ended 31 March 2011, which originally reported in two reportable segments: restaurant operation and property investment, is re-presented to conform with current year's presentation.

Geographical information

As all external turnover from continuing operation for both years and non-current assets other than those relating to discontinued operations are either derived from or located in Hong Kong, an analysis of the consolidated turnover from continuing operation and non-current assets other than those relating to discontinued operations by geographical location is not presented.

Information about major customers

There is no customer contributing over 10% of the total revenue of the Group for both years.

4. LOSS FOR THE YEAR FROM CONTINUING OPERATION

	2012	2011
	HK$'000	*HK$'000*
Loss for the year from continuing operation has been arrived at after charging:		
Directors' remuneration	**5,908**	11,765
Employees' share-based payments	**52**	347
Other staff costs, including retirement benefits costs	**25,265**	24,008
Total staff costs	**31,225**	36,120
Auditor's remuneration	**340**	340
and after crediting:		
Interest income	**1,985**	669

5. DISCONTINUED OPERATIONS

The discontinued operations comprise of property investment and environmental friendly paper tableware operations. The results of the discontinued operations, as included in the consolidated statement of comprehensive income, are analysed as follows:

	2012	2011
	HK$'000	*HK$'000*
Turnover	**–**	75
Other income	**1,621**	308
Increase in fair value of investment properties	**2,164**	300
Loss on deregistration of a subsidiary	**(2,885)**	–
Other operating expenses	**(108)**	(457)
Profit for the year from discontinued operations	**792**	226
Attributable to:		
Owners of the Company	**209**	140
Non-controlling interests	**583**	86
	792	226
Profit for the year from discontinued operations includes the following:		
Auditor's remuneration	**50**	50
Interest income	**2**	2
The net cash flows incurred are as follows:		
Net cash (used in) from operating activities	**(512)**	54
Net cash from investing activities	**2**	170
Net cash (outflows) inflows	**(510)**	224

6. TAXATION

No provision for taxation has been made in the consolidated financial statements as the Company and its subsidiaries have no assessable profit for both years from its continuing operation.

7. LOSS PER SHARE

From continuing and discontinued operations

The calculation of basic loss per share attributable to owners of the Company is based on the following data:

	2012	2011
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company	**(7,378)**	(13,739)

	Number of shares	
	2012	2011
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	**1,939,414,108**	1,939,414,108

From continuing operation

The calculation of basic loss per share from continuing operation attributable to the owners of the Company is based on the following data:

Loss figures are calculated as follows:

	2012	2011
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company	**(7,378)**	(13,739)
Less:		
Profit for the year from discontinued operations	**(209)**	(140)
Loss for the purpose of calculating basic loss per share from continuing operation	**(7,587)**	(13,879)

The denominators used are the same as those for calculation of basic loss per share from continuing and discontinued operations.

From discontinued operations

Basic earnings per share for the discontinued operations are HK$0.01 cents per share (2011: HK$0.01 cents per share), based on the profit for the year from the discontinued operations of HK$209,000 (2011: HK$140,000) and the denominators detailed above for basic loss per share from continuing and discontinued operations.

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

8. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade receivables of HK$1,069,000 (2011: HK$692,000). 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 including travel agencies.

The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period:

	2012	2011
	HK$'000	*HK$'000*
0 – 60 days	**1,068**	690
61 – 90 days	**–**	1
More than 90 days	**1**	1
	1,069	692

Management has delegated a team responsible to assess the potential customer's credit quality and defines credit limit by customer. Credit limits attributed to customers are reviewed regularly by management. Management closely monitors the credit quality of trade receivables and considers trade receivables that are neither past due nor impaired to be of good credit quality as most trade receivables were settled within credit period based on the historical experience. Over 99% (2011: over 99%) of the trade receivables are neither past due nor impaired. Based on the historical experience of the Group, trade receivables that are past due are generally recoverable. The directors consider that trade receivables at the end of the respective reporting period which have been past due and the Group has not provided impairment loss for to be insignificant.

Included in trade and other receivables is an amount of RMB39,520,000 (equivalent to approximately HK$48,790,000) (2011: nil) resulting from disposal of investment properties. The amount is placed with a bank by a director under an arrangement that the director is obliged to follow the instructions of the Company with respect to the disposition of such amount.

9. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of HK$2,571,000 (2011: HK$2,336,000). The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2012	2011
	HK$'000	*HK$'000*
0 – 60 days	**2,541**	2,283
More than 60 days	**30**	53
	2,571	2,336

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

For the year ended 31 March 2012, the Group recorded a consolidated turnover of approximately HK$91.0 million, representing an increase of 14% over previous year's turnover of approximately HK$79.8 million for its continuing operation. The increase in turnover mainly attributable to improvement in the restaurant business following the completion of the renovation works for Hover City Chiu Chow Restaurant in April 2010 and City Chiu Chow Restaurant in August 2010.

The Group recorded a net loss of approximately HK$6.8 million for all its operations for the year under review compared to a net loss of approximately HK$13.7 million for the previous year. The share options granted on 19 May 2010 resulted in approximately HK$1.1 million share-based payment expenses being recognized in the current year compared to approximately HK$7.0 million being recognized in the last corresponding year. In view of the volatility of the stock market, the Group recognized an impairment loss of HK$1.5 million for its securities holding.

Business Review

Continuing Operation

For the restaurant operation, the new image of our restaurants had contributed to the significant improvement in our full year turnover which increased by 14% from last year's turnover of approximately HK$79.8 million to approximately HK$91.0 million for the year under review. In spite of higher turnover and stable profit margin, the segment's result, however, was partially influenced by a rise in operational costs of approximately HK$1.0 million in staff costs; HK$0.7 million in rental costs and HK$0.8 million in depreciation charges.

Discontinued Operations

For the Group's investment properties, a fair value gain of approximately HK$2.2 million was recognized following the disposal of the investment properties. A fair value gain of HK$0.3 million was recorded in the last corresponding period.

The deregistration of our subsidiary in Dongguan which previously engaged in the environmental friendly paper tableware business had resulted in a net loss position of approximately HK$1.3 million mainly due to the write-off of the translation reserve and other provisions to profit and loss.

Outlook

The restaurant business will continue to be the core business of the Group. It will continue to provide a stable source of revenue and remains the major contributor to turnover. Through the sale and disposal of its investment properties in November 2011, the Group has strengthened its capital base and further enhances its financial position. The Group is in a better position to meet the challenges ahead and to capitalize any future acquisition and strategic investment opportunities as they arise.

Liquidity and Financial Resources

The Group's cash and bank balances (including pledged bank deposits) amounted to approximately HK$70.1 million as at 31 March 2012. As the Group had no bank borrowings, the Group's gearing ratio was zero as at 31 March 2012 and 31 March 2011.

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.

Foreign Exchange Exposure

Most of the Group's sales, purchases, cash and bank balances were denominated in Hong Kong dollars. The Group is exposed to foreign currency risk primarily through certain other receivables which were denominated in Renminbi. The management would closely monitor such risk and would consider hedging significant foreign currency exposure should the need arise.

Employees

At 31 March 2012, the Group had approximately 167 staff. Total staff costs including directors' remuneration amounted to approximately HK$31.2 million (31 March 2011: HK$36.1 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.

DIVIDEND

The Board has resolved not to declare any final dividend for the year ended 31 March 2012 (2011: Nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 31 July 2012 to Friday 3 August 2012 (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 Monday, 30 July 2012.

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 in existence on 31 March 2012 and contained in Appendix 14 (the "Code") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the year ended 31 March 2012 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 ("NED").

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 chief executive officer 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 NED should be appointed for a specific term, subject to re-election. The independent non-executive directors ("INED") of the Company are not appointed for a specific term. This constitutes a deviation from Code provision A.4.1. However, as all the INED 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 INEDs of the Company has reviewed with management and approved the consolidated accounts for the year ended 31 March 2012.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to 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 year ended 31 March 2012.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The final results announcement is published on the websites of the Company (www.g-vision.com.hk) and The Stock Exchange of Hong Kong Limited (www.hkex.com.hk). The Company's annual report 2011/2012 will be dispatched to the shareholders and posted on the said websites in due course.

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, 25 June 2012

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Cheng Hop Fai (Chairman and Managing Director), Mr. Zhang Yunkun, Ms. Cheng Pak Ming, Judy, Ms. Cheng Pak Man, Anita, Ms. Cheng Pak Lai, Lily as Executive Directors; Mr. Dong Demao and Mr. Meng Lingku as Non-Executive Directors; and Mr. Leung Tai Chiu, Mr. Law Toe Ming and Mr. Mark Yiu Tong, William as Independent Non-Executive Directors.