G-VISION INTERNATIONAL (HOLDINGS) LIMITED
環 科 國 際 集 團 有 限 公 司 *

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

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014

The board of directors of G-Vision International (Holdings) Limited (the "Company") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2014, together with comparative figures for the corresponding period ended 30 September 2013. The condensed interim financial information has not been audited, but has been reviewed by the Company's auditor, Deloitte Touche Tohmatsu, and the Company's audit committee.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2014

	Note	**1.4.2014 to 30.9.2014** ***HK$'000*** **(unaudited)**	1.4.2013 to 30.9.2013 *HK$'000* (unaudited)
Turnover		**44,036**	40,207
Other income and other gains		**2,765**	2,918
Cost of inventories consumed		**(15,135)**	(14,683)
Staff costs		**(16,204)**	(15,107)
Operating lease rentals		**(7,375)**	(7,731)
Depreciation		**(746)**	(746)
Other operating expenses		**(9,140)**	(8,787)
Loss for the period attributable to owners of the Company	4	**(1,799)**	(3,929)

* *for identification purpose only*

	Note	1.4.2014 to 30.9.2014 HK$'000 (unaudited)	1.4.2013 to 30.9.2013 HK$'000 (unaudited)
Other comprehensive income (expense):			
Items that may be reclassified subsequently to profit or loss:			
Change in fair value of available-for-sale investments		**(24)**	133
Reclassification to profit or loss upon disposal of available-for-sale investments		**(101)**	(32)
Other comprehensive (expense) income for the period		**(125)**	101
Total comprehensive expense for the period attributable to owners of the Company		**(1,924)**	(3,828)
Basic loss per share	6	**(HK0.09 cent)**	(HK0.20 cent)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2014

	Notes	30.9.2014 HK$'000 (unaudited)	31.3.2014 HK$'000 (audited)
Non-current assets			
Property, plant and equipment		**1,376**	2,122
Available-for-sale investments		**6,104**	4,173
Property rental deposits		**4,160**	3,110
		11,640	9,405
Current assets			
Inventories		**1,496**	1,572
Trade and other receivables	7	**34,522**	34,841
Available-for-sale investments		**2,835**	5,336
Investments in certificates of deposit		**2,532**	18,125
Pledged bank deposits		**1,009**	1,008
Short-term bank deposits			
– with original maturity over three months		**51,220**	35,685
– with original maturity within three months		**9,801**	8,049
Bank balances and cash		**11,307**	13,760
		114,722	118,376
Current liabilities			
Trade and other payables	8	**6,884**	6,379
Net current assets		**107,838**	111,997
Net assets		**119,478**	121,402
Capital and reserves			
Share capital		**193,941**	193,941
Reserves		**(74,463)**	(72,539)
Total equity		**119,478**	121,402

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2014

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 (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 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 available-for-sale investments, which are measured at fair values.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2014 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2014.

In the current interim period, the Group has applied, for the first time, the following new interpretation and amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities
Amendments to HKAS 32	Offsetting financial assets and financial liabilities
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets
Amendments to HKAS 39	Novation of derivatives and continuation of hedge accounting
HK(IFRIC) – INT 21	Levies

The application of these new interpretation or amendments to HKFRSs in the current interim period has had no material effect on the amounts reported and/or disclosures set out in these condensed consolidated financial statements.

3. SEGMENT INFORMATION

Financial information provided to the chief operating decision makers, being the executive directors, for performance assessment and resources allocation is based on the overall operating results and position of the Group which constitute the condensed consolidated statement of profit or loss and other comprehensive income and the condensed consolidated statement of financial position. Financial information regarding the segment for the six months ended 30 September 2014 and 2013 can be made reference to the results as set out in the condensed consolidated statement of profit or loss and other comprehensive income.

4. LOSS FOR THE PERIOD

	1.4.2014 to 30.9.2014	1.4.2013 to 30.9.2013
	HK$'000	*HK$'000*
Loss for the period has been arrived at after charging (crediting):		
Depreciation	**746**	746
Interest income from:		
– Available-for-sale investments	**(274)**	(250)
– Others	**(1,318)**	(1,573)
Net exchange gain	**(1,058)**	(1,064)

5. TAXATION

No provision for Hong Kong profits tax has been made in the condensed consolidated financial statements as the Group did not have assessable profit for both periods.

6. LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the period attributable to owners of the Company of HK$1,799,000 (six months ended 30 September 2013: HK$3,929,000) and on 1,939,414,108 shares (six months ended 30 September 2013: 1,939,414,108 shares) in issue during the period.

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

7. TRADE AND OTHER RECEIVABLES

Most of the restaurant customers settle in cash or 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:

	30.9.2014	31.3.2014
	HK$'000	*HK$'000*
0 – 60 days	**1,323**	683
61 – 90 days	**–**	100
	1,323	783

Included in trade and other receivables is an amount of RMB25,424,000 (equivalent to HK$32,182,000) (31 March 2014: RMB25,044,000; equivalent to HK$31,305,000) resulting from the disposal of investment properties located in the People's Republic of China during the year ended 31 March 2012. The amount is placed with a bank by a director of the Company under an arrangement that the director is obliged to follow the instructions of the Company with respect to the disposition of such amount.

8. TRADE AND OTHER PAYABLES

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

	30.9.2014	31.3.2014
	HK$'000	*HK$'000*
0 – 60 days	**3,227**	2,454
More than 60 days	**40**	38
	3,267	2,492

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

For the six months ended 30 September 2014, the Group recorded a consolidated turnover of approximately HK$44.0 million, an increase of approximately HK$3.8 million or 9.5% compared to the last corresponding period.

The net loss for the period under review was approximately HK$1.8 million, representing a decrease of HK$2.1 million as compared to the net loss of approximately HK$3.9 million in the last corresponding period.

Review of Operations

Turnover from the restaurant operation improved by approximately HK$3.8 million and amounted to approximately HK$44.0 million for the period under review. Our Tsim Sha Tsui branch recorded a double-digit growth in turnover and contributed approximately HK$2.3 million improvement in the Group's turnover, partly due to improved sales from our tourists' and corporate patrons and partly due to the positive result from the implementation of some price adjustments to compensate the rise in operating costs. Our Cheung Sha Wan Plaza branch also recorded approximately HK$1.5 million growth in turnover amid the more intensified competition in the surrounding areas.

The decline in net loss by approximately HK$2.1 million was mainly attributable to the improvement in both the turnover and the gross profit margin during the period under review. However, the positive impact from increased sales was partially offset by approximately HK$1.1 million rise in labour costs.

Liquidity and Financial Resources

The Group's cash and bank balances (including pledged bank deposits) amounted to approximately HK$73.3 million as at 30 September 2014. As the Group had no bank borrowings, the Group's gearing ratio was zero as at 30 September 2014 and 31 March 2014.

With the Group's current cash and bank balances together with the existing unutilised banking and credit facilities, the directors consider 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 bank deposits and 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 and Remuneration Policies

As at 30 September 2014, the Group had approximately 150 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 2014 (for the six months ended 30 September 2013: Nil).

PROSPECTS

The performance of the restaurant business is expected to improve in the second half of the financial year as the upcoming festive season has always been the traditional high season for the food and beverage industry. However, the "Occupy Movement" which started in early October this year had affected the number of tourists visiting Hong Kong and also hindered local consumption sentiment, thus resulting in some losses in business for our restaurants. The Group will continue to monitor its operating costs cautiously given the escalating rental and labour costs. Price adjustments seem to be inevitable in view of the inflationary pressure on our operating costs. Nevertheless, the Group will continue to review and revise its business strategies on a regular basis with the aim to better position itself to meet the challenges ahead and to capture any new investment 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.

CORPORATE GOVERNANCE CODE

The Company has adopted the Corporate Governance Code contained in Appendix 14 (the "Code") to the Listing Rules as its own corporate governance code. The Company has complied with the code provisions set out in the Code throughout the period ended 30 September 2014 except for code provision A.2.1 in respect of the role separation of the chairman and the chief executive; code provision A.4.1 in respect of the service term of non-executive directors ("NEDs"); and code provision D.1.4 in respect of the letters of appointment for directors.

Code provision A.2.1 sets out that the roles of the chairman and the chief executive 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 (equivalent to the role of a chief executive) of the Company. The board of directors 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 NEDs 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 the 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 at least once every three years in accordance with the Company's Bye-laws, in the opinion of the directors, this meets the objective of the code provision A.4.1.

Code provision D.1.4 sets out that issuers should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. The Company did not have formal letters of appointment for certain directors. All of the directors of the Company are, however, required to refer to the guidelines set out in "A Guide on Directors' Duties" issued by the Companies Registry and "Guidelines for Directors" and "Guide for Independent Non-Executive Directors" published by the Hong Kong Institute of Directors in performing their duties and responsibilities as directors of the Company. In the opinion of the directors, this meets the objective of the code provision D.1.4.

AUDIT COMMITTEE

The audit committee comprised the three INEDs, namely, Mr. Leung Tai Chiu as the chairman, and Mr. Law Toe Ming and Mr. Mark Yiu Tong, William as members. The terms of reference of the audit committee are consistent with the code provisions. 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 2014.

REMUNERATION COMMITTEE

Pursuant to rule 3.25 of the Listing Rules, the Company has established a remuneration committee comprising the three INEDs, namely, Mr. Law Toe Ming as the chairman, Mr. Leung Tai Chiu and Mr. Mark Yiu Tong, William as members. 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 of directors on the Group's policy and structure for the remuneration of directors and senior management.

NOMINATION COMMITTEE

Pursuant to code provision A.5.1 set out in the Code, the Company has established a nomination committee comprising Mr. Cheng Hop Fai as the chairman and two INEDs, namely, Mr. Law Toe Ming and Mr. Mark Yiu Tong, William as members. The terms of reference of the nomination committee are consistent with the code provisions. The principal function of the nomination committee is to review the structure, size, composition and diversity of the board at least annually with reference to the business needs and development of the Company and make recommendations to the board on any proposed changes to the board to complement the Group's corporate strategy.

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 confirmed that they have complied with the required standards as set out in the Model Code during the six months ended 30 September 2014.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement will be 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 interim report 2014/2015 will be dispatched to its shareholders and posted on the said websites in due course.

By Order of the Board
Cheng Hop Fai
Chairman

Hong Kong, 19 November 2014

As at the date of this announcement, the Board comprises Mr. Cheng Hop Fai (Chairman and Managing Director), Mr. Zhang Yunkun, Ms. Cheng Pak Ming, Judy, Ms. Cheng Pak Man, Anita and Ms. Cheng Pak Lai, Lily as executive directors; Mr. Leung Tai Chiu, Mr. Law Toe Ming and Mr. Mark Yiu Tong, William as independent non-executive directors.