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 2015

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 2015, together with comparative figures. The condensed interim results have not been audited, but have been reviewed by the Company's auditor, Deloitte Touche Tohmatsu, and the Company's audit committee.

* *for identification purpose only*

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2015

	Notes	**1.4.2015 to 30.9.2015** *HK$'000* **(unaudited)**	1.4.2014 to 30.9.2014 *HK$'000* (unaudited)
Turnover		**42,103**	44,036
Other income		**1,808**	1,606
Other gains and losses		**(2,157)**	1,159
Cost of inventories consumed		**(13,859)**	(15,135)
Staff costs		**(16,688)**	(16,204)
Operating lease rentals		**(7,863)**	(7,375)
Depreciation		**(624)**	(746)
Other operating expenses		**(9,601)**	(9,140)
Loss for the period attributable to owners of the Company	4	**(6,881)**	(1,799)
Other comprehensive (expense) income:			
Items that may be reclassified subsequently to profit or loss:			
Change in fair value of available-for-sale investments		**(321)**	(24)
Reclassification to profit or loss upon disposal of available-for-sale investments		**24**	(101)
Other comprehensive expense for the period		**(297)**	(125)
Total comprehensive expense for the period attributable to owners of the Company		**(7,178)**	(1,924)
Loss per share (basic)	6	**(HK0.35 cent)**	(HK0.09 cent)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2015

	Notes	30.9.2015 HK$'000 (unaudited)	31.3.2015 HK$'000 (audited)
Non-current assets			
Property, plant and equipment		**64**	629
Available-for-sale investments		**3,597**	4,942
Property rental deposits		**1,446**	1,446
		5,107	7,017
Current assets			
Inventories		**1,526**	1,594
Trade and other receivables	7	**32,453**	30,876
Available-for-sale investments		**3,681**	2,293
Investments in certificates of deposit		**6,010**	2,500
Pledged bank deposits		**1,011**	1,010
Short-term bank deposits			
– with original maturity over three months		**48,798**	40,780
– with original maturity within three months		**3,069**	20,024
Bank balances and cash		**14,176**	17,302
		110,724	116,379
Current liabilities			
Trade and other payables	8	**6,809**	7,196
Net current assets		**103,915**	109,183
Net assets		**109,022**	116,200
Capital and reserves			
Share capital		**193,941**	193,941
Reserves		**(84,919)**	(77,741)
Total equity		**109,022**	116,200

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2015

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 2015 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2015.

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 HKAS 19	Defined benefit plans: Employee contributions
Amendments to HKFRSs	Annual improvements to HKFRSs 2010-2012 cycle
Amendments to HKFRSs	Annual improvements to HKFRSs 2011-2013 cycle

The application of these 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 2015 and 2014 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

	1.4.2015 to 30.9.2015	1.4.2014 to 30.9.2014
	HK$'000	*HK$'000*
Loss for the period has been arrived at after charging (crediting):		
Depreciation	**624**	746
Interest income from:		
– Available-for-sale investments	**(280)**	(274)
– Others	**(1,528)**	(1,318)
Net exchange loss (gain)	**2,132**	(1,058)

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$6,881,000 (six months ended 30 September 2014: HK$1,799,000) and on 1,939,414,108 shares (six months ended 30 September 2014: 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 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:

	30.9.2015	31.3.2015
	HK$'000	*HK$'000*
0 – 60 days	**629**	351
61 – 90 days	**1**	–
	630	351

Included in trade and other receivables is an amount of RMB21,607,000 (equivalent to HK$26,350,000) (31 March 2015: RMB21,059,000; equivalent to HK$26,323,000) 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:

	30.9.2015	31.3.2014
	HK$'000	*HK$'000*
0 – 60 days	**2,727**	2,818
More than 60 days	**71**	20
	2,798	2,838

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

For the six months ended 30 September 2015, the Group recorded a consolidated turnover of approximately HK$42.1 million, a decrease of approximately HK$1.9 million or 4.4 % compared to the last corresponding period.

The net loss for the period under review amounted to approximately HK$6.9 million compared to the net loss of approximately HK$1.8 million in the last corresponding period.

Review of Operations

Turnover from the restaurant operation was stable during the first four months of the financial year but dropped considerably since the month of August. The downturn in the global economy, the Chinese and the Hong Kong stock market crash coupled with the decrease in tourists visiting Hong Kong had all affected the sales from our tourists' and corporate patrons and resulted in a decline in turnover for the period under review.

The net loss increased by approximately HK$5.1 million was mainly attributable to the drop in turnover as well as the sudden depreciation of Renminbi on 11 August 2015. Our Group recorded a revaluation loss of approximately HK$2.1 million in relation to the depreciation in value of the Group's Renminbi denominated bank deposits and other receivables for the period under review. However, an appreciation in value of approximately HK$1.1 million was recorded in the last corresponding period. The profit margin had improved by approximately 1.5% but there was an increase in staff costs of approximately HK$0.5 million, rental costs of approximately HK$0.5 million and other operating costs of approximately HK$0.5 million.

Liquidity and Financial Resources

The Group's cash and bank balances (including pledged bank deposits) amounted to approximately HK$67.1 million as at 30 September 2015. As the Group had no bank borrowings, the Group's gearing ratio was zero as at 30 September 2015 and 31 March 2015.

With the cash generated from the Group's operations in its ordinary course of business and 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 2015, 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 2015 (for the six months ended 30 September 2014: Nil).

PROSPECTS

The current unfavourable economic and business environment is expected to lower corporate and consumer expenditures and will have an adverse impact on the food and beverage industry. Amid the challenging operating environment, the Group will adopt a cautious approach in committing further capital expenditure and will implement appropriate costs control programs where necessary. 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 six months ended 30 September 2015 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 comprises 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 2015.

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, and 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 2015.

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 2015/2016 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, 26 November 2015

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.