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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)

### **HIGH CONCENTRATION OF SHAREHOLDING**

The Board has recently been informed by the Stock Exchange that according to the information it received from the SFC, as at 4 January 2007 two substantial shareholders held in aggregate approximately 70.00% of the issued share capital of the Company and another 20 entities (including five seemingly connected entities) together owned 20.54% of the issued share capital of the Company. Accordingly, the two substantial shareholders and the 20 entities in aggregate held approximately 90.54% of the issued share capital of the Company. This implies that only 9.46% of the issued share capital of the Company was in the hands of other investors.

The Company makes this announcement to keep the market informed.

In view of the high concentration of Shares in the hands of a small number of shareholders, the price of the Shares could fluctuate substantially even with a small number of Shares traded. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The board (the "Board") of directors (the "Directors") of G-Vision International (Holdings) Limited (the "Company") has recently been informed by the Stock Exchange that according to the information it received from the Securities and Futures Commission ("SFC"):

The SFC conducted a review of the shareholding distribution of the Company as at 4 January, 2007. The analysis revealed that two substantial shareholders, namely Kong Fai International Limited and Golden Toy Investments Limited, both of which are wholly owned by two discretionary trusts for the benefits of the family members of Mr. Cheng Hop Fai (the Chairman and an executive director of the Company), held in aggregate 339,397,470 shares of the Company ("Shares"), representing approximately 70.00% of the issued share capital of the Company. Another 20 entities (including five seemingly connected entities) together owned a total of 99,604,651 Shares or 20.54% of the issued share capital of the Company. Accordingly, the two aforesaid substantial shareholders and the 20 entities in aggregate held 439,002,121 Shares, or 90.54% of the issued share capital of the Company. This implies that only 9.46% of the issued share capital of the Company was in the hands of other investors.

The SFC noted that:

- (1) during the period between 3 October 2006 and 13 November 2006, there were only 3 days with thin trading in the Shares while there was no trading on other trading days and the closing prices of the Shares hovered between HK\$0.075 and HK\$0.081. On 14 November 2006, the Company's share price surged 449% to close at HK\$0.445 with a heavy turnover of 22.6 million Shares;
- (2) from 14 November 2006 to 30 November 2006, closing prices of the Shares ranged from HK\$0.405 to HK\$0.700 with a heavy average daily turnover of approximately 3.8 million Shares amid several negative announcements made by the Company pursuant to Note 2 to Rule 13.10 of the Listing Rules in view of the increases in share prices and trading volumes; and
- (3) the Company has been making losses for the last three financial years ended 31 March 2006 and remained loss making as revealed in its latest interim results released on 18 December 2006. Nevertheless, closing prices of the Shares remained at around HK\$0.500 throughout December 2006 and until mid January 2007 and gradually climbed up to close at HK\$0.87 on 23 January 2007.

Given the information received from the SFC, the Company makes this announcement to keep the market informed of the circumstances.

The Board wishes to clarify that as the information is provided by the SFC, the Company is not in a position to verify or comment on the accuracy of such information except that the two substantial shareholders, namely Kong Fai International Limited and Golden Toy Investments Limited, both of which are wholly owned by two discretionary trusts for the benefits of the family members of Mr. Cheng Hop Fai (the Chairman and an executive director of the Company), held in aggregate 339,397,470 Shares representing approximately 70.00% of the issued share capital of the Company. In any event, the Board confirms that, based on the information made available from the Company's register of members and notices received by the Company pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), it believes that to the best of its knowledge and belief, the Company is able to comply with the public float requirement under the Listing Rules.

The Board confirms that it is not aware of any reasons for the increases in the price and turnover of the Shares. The Board also confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, nor is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of price-sensitive nature.

In view of the high concentration of Shares in the hands of a small number of shareholders, the price of the Shares could fluctuate substantially even with a small number of Shares traded. Shareholders of the Company and potential investors are reminded to exercise caution when dealing in the Shares.

By order of the Board  
**G-Vision International (Holdings) Limited**  
**Cheng Hop Fai**  
*Chairman*

Hong Kong, 30 January, 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. Mark Yiu Tong, William, Mr. Law Toe Ming and Ms. Kan Lai Kuen, Alice.*

*\* For identification purposes only*

Please also refer to the published version of this announcement in The Standard.