

# TARGET

## Intelligence Report

VOLUME XXVI No. 27

SATURDAY

February 3, 2024

**G-VISION INTERNATIONAL (HOLDINGS) LTD:  
ONE HAS TO PONDER:  
CAN THIS COMPANY BRAVE THE PROBLEMS IN STORE ?**

G-Vision International (Holdings) Ltd (環科國際集團有限公司) (formerly known, up to October 2, 2000, as City Chiu Chow (Holdings) Ltd [潮州城集團有限公司]) has a 32-year-old record as operating a chain of restaurants in the **Hongkong Special Administrative Region (HKSAR)** of The People's Republic of China (**PRC**), dating back to October 30, 1992.

However, during the past five Financial Years, ended March 31, 2023, Management has been suffering, very materially, with Revenues, crashing by 47.08 percent, from the 2019 Financial Year's figure of \$HK85,372,000.00, to the 2023 Financial Year's figure of \$HK45,181,000.00.

With regard to the above-mentioned, five Financial Years, Management has been forced to bite the proverbial bullet, recording only losses, aggregating \$HK80,509,000.00.

In respect of Shareholders' Funds (Net Assets), during those same, five Financial Years, shareholders had to suffer depreciations, aggregating 84.35 percent, from \$HK80,290,000.00 (the 2019 Financial Year's figure) to the 2023 Financial Year's figure of \$HK12,565,000.00.

**THE 2022-2023 ANNUAL REPORT OF  
G-VISION INTERNATIONAL (HOLDINGS) LTD**

On or about Thursday, July 6, 2023, Management of G-Vision International (Holdings) Ltd (Code: 657, Main Board, The Stock Exchange of Hongkong Ltd) published and disseminated its 2022-2023 Annual Report of the Company in the HKSAR.

At Page 73 of the 2022-2023 Annual Report, a précis was presented as follows:

*'G-Vision International (Holdings) Limited (the "Company") was incorporated in Bermuda as an exempted company with limited liability ...*

*'The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 29 to the consolidated financial statements.*

*‘In the opinion of the directors of the Company, Kong Fai International Limited (“**Kong Fai**”), a company, incorporated in the British Virgin Islands (the “**BVI**”), is the ultimate parent. Mr. Cheng Hop Fai (“**Mr. Cheng**”) and his family members are the ultimate controlling parties of the Company.’*

Mr Cheng Hop Fai (鄭合輝), the Chairman of the Board of Directors of the Company, determined to explain to shareholders some of the events that took place, during the Financial Year, ended March 31, 2023.

The following are some of this gentleman’s observations and determinations:

### **‘REVIEW OF OPERATIONS**

*‘For the year ended 31 March 2023, the Group recorded consolidated revenue of approximately HK\$45.2 million, representing a decrease of approximately HK\$69.4 million or 60.6% from last year’s consolidated revenue of approximately HK\$114.6 million.*

### **‘Restaurant Operations in Hongkong**

*‘The Group is mainly engaged in the operation of Chinese restaurants in Hong Kong which specialise in Chiu Chow cuisine. Revenue from the restaurant operations amounted to approximately HK\$45.2 million for the year under review, representing an increase of approximately HK\$4.6 million or 11.3% from the previous year of approximately HK\$40.6 million.*

*‘The Group ceased its restaurant operations at the Cheung Sha Wan Plaza (with floor area approximately 1,683 sq. m.) following the expiry of lease on 30 September 2021. On 7 December 2021, the Group opened a new branch at Yue Man Square, Kwun Tong (with floor area approximately 509 sq. m.) under the trade name “**Kwun Tong City Chiu Chow Restaurant**” (“**KTCCC**”). The Group’s turnover for the first half of the year under review was approximately HK20.6 million, representing a decrease of approximately 30.8% or HK9.2 million compared to the last corresponding period mainly due to the drop in revenue as a result of the change in operating floor area of the two venues.*

*‘The Group’s turnover for the second half of the year under review was approximately HK24.6 million, representing a significant increase of approximately HK13.8 million compared to the last corresponding period’s turnover of approximately HK10.8 million as the business rebounded from a low base last year. In particular, the revenue for the Group in October and November 2021 were lower as KTCCC was still under renovation. In addition, the fifth wave of the COVID-19 pandemic which started from January 2022 had a severe impact on the Group’s restaurant operations. For safety measures, the Group suspended its restaurant operations for almost two months from mid-February 2022,*

*resulting in a record low revenue of approximately HK\$2.6 million in the first quarter of 2022.*

*‘The revenue for Tsimshatsui branch improved following the progressive relaxation of the social distancing measures since January 2023. The resumption of local and overseas tours as well as the uplift of restrictions on operating hours and number of persons per table had brought a positive impact on the corporate and tourist businesses. As a result, the turnover for the second half of the financial year under review increased by approximately HK\$3.6 million compared to the first half of the financial year under review.*

*‘The revenue growth for KTCCC, however, was limited by (i) the more competitive operating environment in the Kwun Tong district; (ii) the reduction in expenditure per head; and (iii) very slow business in the evening on weekdays. In view of the uncertainties casted on the outlook and cashflows for KTCCC, the Group has decided to make non-cash impairment on the ... [CLICK TO ORDER FULL ARTICLE](#)*

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