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Vision International Holdings Limited
威誠國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8107)

**FIRST QUARTERLY RESULTS ANNOUNCEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2020**

The Board (the “**Board**”) of Directors (the “**Directors**”) of Vision International Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the “**Group**”) for the three months ended 31 March 2020. This announcement, containing the full text of the 2020 First Quarterly Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of quarterly results. Printed version of the Company’s 2020 First Quarterly Report will be delivered to the shareholders of the Company and available for viewing on the websites of GEM at www.hkgem.com and of the Company at www.vision-holdings.com.hk in due course.

By Order of the Board
Vision International Holdings Limited
威誠國際控股有限公司
Mr. Ko Sin Yun
Chairman and Executive Director

Hong Kong, 14 May 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Ko Sin Yun, Mr. Ko Man Ho and Mr. Cheng Ka Wing; and the independent non-executive Directors of the Company are Mr. To King Yan, Adam, Mr. Kwok Chee Kin and Mr. Chan Kim Sun.

This announcement for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

The announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the day of its posting and on the website of the Company at www.vision-holdings.com.hk.

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

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Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report for which the directors (the "Directors") of Vision International Holdings Limited (the "Company", and together with its subsidiaries, the "Group", "we" or "our") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.



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Corporate Information

BOARD OF DIRECTORS

Executive Directors:

Mr. Ko Sin Yun (*Chairman*)
Mr. Ko Man Ho
Mr. Cheng Ka Wing

Independent Non-Executive Directors:

Mr. To King Yan, Adam
Mr. Kwok Chee Kin
Mr. Chan Kim Sun

AUDIT COMMITTEE

Mr. Chan Kim Sun (*Chairman*)
Mr. To King Yan, Adam
Mr. Kwok Chee Kin

REMUNERATION COMMITTEE

Mr. To King Yan, Adam (*Chairman*)
Mr. Chan Kim Sun
Mr. Kwok Chee Kin

NOMINATION COMMITTEE

Mr. Ko Sin Yun (*Chairman*)
Mr. Chan Kim Sun
Mr. To King Yan, Adam

COMPANY SECRETARY

Mr. Tam Chun Wai Edwin

COMPLIANCE OFFICER

Mr. Cheng Ka Wing

AUTHORISED REPRESENTATIVES FOR THE PURPOSE OF THE GEM

LISTING RULES

Mr. Cheng Ka Wing
Mr. Tam Chun Wai Edwin

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

3/F, China United Plaza
1002–1008 Tai Nan West Street
Cheung Sha Wan
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Coyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Computershare Hong Kong Investor Services
Limited
Shops 1712-1716
17th Floor
Hopewell Centre
183 Queen's Road East
Hong Kong

COMPLIANCE ADVISER

Giraffe Capital Limited

LEGAL ADVISER TO THE COMPANY AS TO HONG KONG LAW

Miao & Co. (in Association with
Han Kun Law Offices)

PRINCIPAL BANKERS

The Hongkong and Shanghai
Banking Corporation Limited
United Overseas Bank Limited
Hong Kong Branch
Hang Seng Bank Limited

AUDITOR

Yongtuo Fuson CPA Limited
Certified Public Accountants

STOCK CODE

8107

COMPANY'S WEBSITE

www.vision-holdings.com.hk

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

The board of Directors (the "Board") of the Company hereby announces the unaudited condensed consolidated financial results of the Group for the three months ended 31 March 2020 together with the comparative unaudited figures for the corresponding period in 2019, as follows:

	Notes	Three months ended 31 March	
		2020 (unaudited) HK\$'000	2019 (unaudited) HK\$'000
Revenue	3	10,935	6,117
Cost of sales		(8,297)	(3,911)
Gross profit		2,638	2,206
Other income	4	199	90
Other gains and losses	5	(173)	95
Selling and distribution expenses		(1,107)	(2,222)
Administrative expenses		(2,140)	(2,445)
Finance costs		(101)	(90)
Loss before taxation		(684)	(2,366)
Income tax expense	6	(10)	(8)
Loss and total comprehensive loss for the period	7	(694)	(2,374)
Loss per share — basic (HK cents)	9	(0.069)	(0.24)

Unaudited Condensed Consolidated Statement of Changes in Equity

	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000	Translation reserve HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
At 1 January 2019 (audited)	10,000	38,444	(103,262)	(7,252)	144,422	82,352
Loss and total comprehensive loss for the period	-	-	-	-	(2,374)	(2,374)
At 31 March 2019 (unaudited)	10,000	38,444	(103,262)	(7,252)	142,048	79,978
At 1 January 2020 (audited)	10,000	38,444	(103,262)	(7,252)	124,565	62,495
Loss and total comprehensive loss for the period	-	-	-	-	(694)	(694)
At 31 March 2020 (unaudited)	10,000	38,444	(103,262)	(7,252)	123,871	61,801

Notes to the Unaudited Condensed Consolidated Financial Information

1. GENERAL

Vision International Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability on 19 January 2017 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares were listed on GEM of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 4 May 2018 (the “**Listing**”). The Company’s immediate and ultimate holding company is Metro Vanguard Limited (“**Metro Vanguard**”), a limited company incorporated in the British Virgin Islands (the “**BVI**”) with limited liability. The ultimate controlling party of Metro Vanguard is Mr. Ko Sin Yun (“**Mr. Ko**” or the “**Controlling Shareholder**”) who is also the executive director of the Company. The addresses of the Company’s registered office and principal place of business are 3/F, China United Plaza, 1002–1008 Tai Nan West Street, Cheung Sha Wan, Kowloon, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of the Group are sales of apparel products with the provision of supply chain management (“**SCM**”) services to customers.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants as well as with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules.

The Company’s functional currency is United States Dollars (“**US\$**”). The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is different from the functional currency of the Company. The Directors consider that presenting the unaudited condensed consolidated financial statements in HK\$ is preferable as the Company’s shares are listed on GEM of the Stock Exchange.

The accounting policies and basis of preparation adopted in the preparation of these unaudited condensed consolidated financial statements for the three months ended 31 March 2020 are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2019, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), except for the adoption of the following new and amendments to HKFRSs effective from 1 January 2020, as noted below.

Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting
Amendments to HKFRS 3	Definition of a Business
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the new and amendments to HKFRSs in the current period has had no significant financial effect on these unaudited condensed consolidated financial statements for the three months ended 31 March 2020.

The Group has not early applied those new and revised HKFRSs that have been issued but are not yet effective.

The Directors anticipate that the application of those new standard(s), amendments and interpretation(s) will have no material impact on the unaudited condensed consolidated financial statements.

Notes to the Unaudited Condensed Consolidated Financial Information

3. REVENUE AND SEGMENT INFORMATION

Revenue from contracts with customers represents the fair value of amounts received and receivable from the sales of apparel products with the provision of SCM services to customers by the Group.

Geographical information

The Group's operations are mainly located in Hong Kong.

The Group's revenue from external customers is mainly derived from customers in Germany, France, Austria and Switzerland. The following table sets forth a breakdown of the Group's revenue by the geographical location of the customers.

	Three months ended 31 March	
	2020 (unaudited) HK\$'000	2019 (unaudited) HK\$'000
Germany	6,619	4,063
France	1,876	538
Austria	1,818	1,166
Switzerland	622	350
Total	10,935	6,117

Information about major customers

Revenue from customers contributing over 10% of the Group's revenue are as follows:

	Three months ended 31 March	
	2020 (unaudited) HK\$'000	2019 (unaudited) HK\$'000
Customer A	3,540	3,212
Customer B	1,875	—*
Customer C	1,562	736
Customer D	1,324	—*
Customer E	—*	737

* The corresponding revenue does not contribute over 10% of the Group's revenue.

Notes to the Unaudited Condensed Consolidated Financial Information

3. REVENUE AND SEGMENT INFORMATION (Continued)

Information about major customers (Continued)

Non-current assets (excluding financial assets) by geographical location of assets are detailed below:

	As at 31 March 2020 (unaudited) HK\$'000	As at 31 December 2019 (audited) HK\$'000
Hong Kong	28,743	29,038
Germany	7,333	7,583
Total	36,076	36,621

The following table sets forth a breakdown of the Group's revenue by customer type.

	Three months ended 31 March	
	2020 (unaudited) HK\$'000	2019 (unaudited) HK\$'000
Apparel sourcing agent	5,279	4,730
Boutique shop	4,798	1,274
Department store	858	113
Total	10,935	6,117

Timing of revenue recognition and category of revenue

	Three months ended 31 March	
	2020 (unaudited) HK\$'000	2019 (unaudited) HK\$'000
Recognised at a point in time and short-term contracts:		
Sales of apparel products with the provision of SCM services to customers	10,935	6,117

The customers of the Group are mainly the apparel sourcing agents in Europe. All of the Group's sales of apparel products with the provision of SCM services are provided directly to the customers. Contracts with the Group's customers are fixed-price contracts.

All revenue contracts are for period of one year or less. As permitted by HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Notes to the Unaudited Condensed Consolidated Financial Information

4. OTHER INCOME

	Three months ended 31 March	
	2020 (unaudited) HK\$'000	2019 (unaudited) HK\$'000
Sample sales income	199	81
Others	–	9
Total	199	90

5. OTHER GAINS AND LOSSES

	Three months ended 31 March	
	2020 (unaudited) HK\$'000	2019 (unaudited) HK\$'000
Net foreign exchange (loss) gain	(173)	95
	(173)	95

6. INCOME TAX EXPENSE

	Three months ended 31 March	
	2020 (unaudited) HK\$'000	2019 (unaudited) HK\$'000
Hong Kong Profits Tax:		
Current tax	–	–
Deferred taxation	10	8
Total	10	8

The profits tax of the Group is following the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2 million of the profits of the qualifying group entity shall be taxed at 8.25% and profits above HK\$2 million shall be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime shall be taxed at a flat rate of 16.5%.

Notes to the Unaudited Condensed Consolidated Financial Information

7. LOSS FOR THE PERIOD

	Three months ended 31 March	
	2020 (unaudited) HK\$'000	2019 (unaudited) HK\$'000
Loss for the period has been arrived at after charging:		
Directors' remuneration	677	639
Other staff costs:		
— Salaries and other benefits	612	759
— Retirement benefit scheme contributions	23	29
Total staff costs	635	788
Total employee benefits expenses	1,312	1,427
Auditor's remuneration	100	225
Depreciation of property, plant and equipment	290	290
Depreciation of leasehold improvements	5	2
Amortisation of intangible assets	250	250
Cost of inventories recognised as cost of sales	8,297	3,911
Minimum lease payment under operating leases in respect of land and building	100	47

8. DIVIDENDS

The Board does not recommend the payment of any dividend for the three months ended 31 March 2020 (three months ended 31 March 2019: Nil).

9. LOSS PER SHARE

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

The calculation of basic loss per Share for the period is based on the unaudited condensed consolidated loss for the three months ended 31 March 2020 of HK\$0.7 million (loss for the three months ended 31 March 2019: HK\$2.4 million), and the weighted average number of ordinary shares of 1,000,000,000 (three months ended 31 March 2019: 1,000,000,000, being the total number of Shares in issue of the Company immediately upon the Listing) in issue throughout the period.

No diluted loss per share in both periods was presented as there were no potential ordinary Shares outstanding during both periods.

Management Discussion and Analysis

BUSINESS REVIEW

The Group is an apparel SCM services provider based in Hong Kong delivering one-stop solution to customers in Europe and Asia. We have developed a vertically integrated business model with services range across market trend analysis, product design and development, sourcing of suppliers, production management, logistics services and quality control. We primarily generate revenue from the supply of middle to high-end apparel products to the customers. Through engaging us for apparel SCM services, our customers are able to focus their resources on their retail businesses and respond quickly to the fast-evolving changes of fashion industry, as they do not have to separately engage different suppliers for various types of services throughout the apparel supply chain.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by 78.8% from HK\$6.1 million for the three months ended 31 March 2019 to HK\$10.9 million for the three months ended 31 March 2020. The increase was mainly attributable to the increased revenue from customers in Germany, as a result of the delivery of orders on hand before the global lockdown due to the epidemic of Coronavirus Disease 2019 ("COVID-19 outbreak").

Cost of sales

Cost of sales mainly consists of purchase costs, import duty and other cost of sales. Purchase costs represent the cost of finished goods purchased from suppliers located in the People's Republic of China, Madagascar and Cambodia.

Cost of sales increased by 112.1% from HK\$3.9 million for the three months ended 31 March 2019 to HK\$8.3 million for the three months ended 31 March 2020, which was in line with the increase in sales for the three months ended 31 March 2020.

Gross profit and gross profit margin

Gross profit was HK\$2.2 million and HK\$2.6 million for the three months ended 31 March 2019 and 2020, respectively. Gross profit margin dropped from 36.1% for the three months ended 31 March 2019 to 24.1% for the three months ended 31 March 2020, which was mainly due to the higher sales proportion to customers with lower average selling price and thus lower gross profit margin.

Management Discussion and Analysis

Other income

Other income increased slightly from HK\$0.1 million for the three months ended 31 March 2019 to HK\$0.2 million for the three months ended 31 March 2020, mainly due to the increase in sample sales income.

Other gains and losses

Other gains and losses mainly represent the net foreign exchange difference resulted from fluctuations in the exchange rate of the foreign currency incurred in our operation.

Selling and distribution expenses

Selling and distribution expenses mainly include staff costs, customer service fee, freight and transportation cost, travelling expenses, exhibition fees, design fee, sample and development cost and other selling and distribution expenses.

Selling and distribution expenses amounted to HK\$2.2 million and HK\$1.1 million for the three months ended 31 March 2019 and 2020, respectively. Such decrease was mainly attributable to the decrease in exhibition fees and travelling expenses due to the global travelling restrictions as a result of the COVID-19 outbreak.

Administrative expenses

Administrative expenses mainly include professional fees, staff costs (including Directors' remuneration), amortisation of intangible assets, depreciation, rent and rates and other administrative expenses.

Administrative expenses amounted to HK\$2.4 million and HK\$2.1 million for the three months ended 31 March 2019 and 2020, respectively. Such decrease was mainly due to a decrease in the professional fees.

Management Discussion and Analysis

Finance costs

The Group's finance costs amounted to approximately HK\$0.1 million for the three months ended 31 March 2019 and 2020, respectively.

Income tax expense

Income tax expense amounted to approximately HK\$8,000 and HK\$10,000 for the three months ended 31 March 2019 and 2020, respectively.

Loss for the period

Loss for the three months ended 31 March 2020 amounted to HK\$0.7 million (three months ended 31 March 2019: HK\$2.4 million). Such decrease in loss was mainly attributable to the combined effect of (i) an increase in revenue; and (ii) a decrease in selling and distribution expenses resulting from the decreasing exhibition fees, and travelling expenses due to the global lockdown.

Charge on the Group's assets

As at 31 March 2020, the Group pledged the property comprising workshops 1–3 and 5–7 on 3rd Floor of China United Plaza, No. 1008 Tai Nan West Street, Kowloon, Hong Kong to a bank for the bank finance facility for the Group.

Share capital

The Shares were successfully listed on the GEM of the Stock Exchange on the Listing Date and there has been no change in the capital structure of the Group since then. The share capital of the Group only comprises ordinary shares. As at 31 March 2020, the Company's issued share capital was HK\$10,000,000 and the number of its issued shares was 1,000,000,000 of HK\$0.01 each.

Significant investment held

As at 31 March 2020, the Group did not hold any significant investment.

Contingent liabilities

The Group did not have any material contingent liabilities or guarantees as at 31 March 2020.

Management Discussion and Analysis

Foreign exchange exposure

The revenue of the Group is mainly denominated in US\$, while a certain amount of the revenue is denominated in HK\$ and Euro (“EUR”).

The Group considered that the foreign exchange risk with respect to US\$ is not significant as HK\$ is pegged to US\$.

For the transaction denominated in EUR during the three months ended 31 March 2020, the Group considers that there is no significant foreign exchange risk in respect of EUR.

Nevertheless, the Group will endeavour to manage the foreign exchange risk by closely monitoring the movement of foreign currency rates and will consider hedging significant foreign currency exposure should the need arises.

PROSPECTS

The Group’s revenue and profitability had been severely affected since the second half of 2019 by the US-China trade war and the social unrest in Hong Kong, which spoilt the appetite of the overseas customers for visiting our showroom and placing sales orders. Although such situation is gradually calming down, with the outburst of COVID-19, the pessimistic sentiment is developing regarding the macroeconomic and the worldwide retail environment, which would foreseeably have an adverse impact on our business.

The COVID-19 outburst has been intensifying and spreading across the globe, weighing on the U.S. and European retail markets. The travelling restrictions between regions have hindered our overseas customers from visiting us or us from visiting them for making sales orders. Moreover, in view of the weakening retail markets, customers would tend to make orders with lower average selling price, which would possibly lower our gross profit.

Furthermore, the COVID-19 outburst has also disrupted the logistics of the supply chain for our production. A number of our suppliers located in the PRC have been suffered from the restriction on the production resumption of factories. Also, the movement of goods is severely hindered by the lockdown of many cities globally. In the foreseeable future, lower production output by our suppliers is expected, mainly attributable to (i) the shortage in the supply of certain raw materials for production due to travel hindrance, and (ii) the lower workforce as the staff from these factories might not be able to report for duty owing to the travel restriction.

Management Discussion and Analysis

We expect that the abovementioned situation would continue to weigh on the global retail market and the global economic growth would remain soft. The forthcoming business environment would remain challenging with the mix of the degree of recovery of different countries from the aftermath of COVID-19 and the possible later stages of the talks between the US and China, exerting uncertainties on the global market sentiment.

In confront with the external uncertainties, we are closely monitoring the existing business operations and the possible impacts brought by the COVID-19 outburst, and taking appropriate actions to tackle. Measures are taken to make sure the impact to the shipment of goods is mitigated as much as possible. On customer side, our team is following up proactively with our major customers via electronical means, in order to minimize the impact on the sales orders at our best endeavours. The Directors are also exploring new business opportunities to diversify the income stream of the Group in view of the unprecedented business environment.

Moreover, as an immediate short-term initiative, cost-control measures have been taken since 2019, such as lowering administrative expenses. Going forward, the Group will continue to consider applying more stringent measures, in order to cope with the lingering business downturn.

USE OF PROCEEDS

The net proceeds from the Listing, after deducting the actual underwriting commissions and expenses paid by the Company in connection thereto, were approximately HK\$32.2 million.

The Company intends to utilise the net proceeds according to the section headed “Statement of Business Objectives and Use of Proceeds” of the prospectus of the Company dated 23 April 2018 (the “**Prospectus**”).

Up to 31 March 2020, the Group has utilised approximately HK\$17.5 million to set up a new showroom, HK\$5.2 million to repay its bank borrowings, HK\$3.1 million to fund the general working capital need, HK\$1.5 million to strengthening our design and development capabilities to develop new design collections, HK\$1.3 million to solidify relationship with existing customers and explore new customers, and HK\$0.8 million to enhance quality control process.

The unutilised proceeds were placed in a licensed bank in Hong Kong.

Management Discussion and Analysis

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The total equity of the Group as at 31 March 2020 was HK\$61.8 million. The Group's cash and cash equivalent as at 31 March 2020 was HK\$18.0 million. Based on the cash and bank balances, the Directors are of the view that the Group has adequate liquidity and financial resources to meet its working capital requirements.

DIVIDENDS

The Board does not recommend the payment of any dividend for the three months ended 31 March 2020 (three months ended 31 March 2019: Nil).

SEGMENT INFORMATION

Segmental information is disclosed in note 3 to the unaudited condensed consolidated financial information.

MATERIAL ACQUISITIONS AND DISPOSALS

For the three months ended 31 March 2020, the Group had not made any material acquisition or disposal (three months ended 31 March 2019: Nil).

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not have any plan for material investments or capital assets as at 31 March 2020.

Other Information

DISCLOSURE OF INTERESTS

A. Directors' and Chief Executive's Interests And/Or Short Positions in the Shares, Underlying Shares and Debentures of the Company or Any of its Associated Corporations

As at 31 March 2020, the interests and short positions of the Directors or chief executive of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO) or which will be required pursuant to section 352 of the SFO to be entered in the register referred to therein, or which will be required to notify to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, will be as follows:

(a) Long Position in the Shares

Name of Director	Nature of interest and capacity	Number of Shares held <i>(Note 1)</i>	Percentage of issued share capital <i>(Note 3)</i>
Mr. Ko	Interest in a controlled corporation <i>(Note 2)</i>	750,000,000 (L)	75%

Notes:

1. The letter "L" denotes to the long position in the Shares.
2. The Shares are registered in the name of Metro Vanguard Limited ("Metro Vanguard"). Accordingly, Mr. Ko is deemed to be interested in all the Shares held by Metro Vanguard for the purpose of Part XV of the SFO.
3. The percentage of shareholding was calculated based on the Company's total number of issued Shares as at 31 March 2020 (i.e. 1,000,000,000 Shares).

Other Information

(b) *Long Position in the Shares of Associated Corporation*

Name of Director	Name of associated corporation	Capacity/ nature of interest	Number and class of securities	Percentage of issued share capital
Mr. Ko	Metro Vanguard	Beneficial owner	100 ordinary shares	100%

Save as disclosed above, as at 31 March 2020, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required pursuant to Section 352 of the SFO, to be entered in the register of members of the Company or which were required to be notified to the Company and the Stock Exchange, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

Other Information

B. Substantial Shareholders' and Other Persons' Interests And/Or Short Positions in Shares, Underlying Shares and Debentures

As at 31 March 2020, the interest and short positions of the persons (other than the Directors or chief executive of the Company) in the Shares, underlying shares and debentures of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Long Position in the Company's Shares

Name	Nature of interest and capacity	Number of Shares held <i>(Note 1)</i>	Percentage of issued share capital <i>(Note 3)</i>
Metro Vanguard	Beneficial owner	750,000,000 (L)	75%
Ms. Chan Sau Fung	Interest of spouse <i>(Note 2)</i>	750,000,000 (L)	75%

Notes:

1. The letter "L" denotes to the long position in the Shares.
2. Ms. Chan Sau Fung is the spouse of Mr. Ko. By virtue of the SFO, she is deemed to be interested in all Shares held by Metro Vanguard, in which Mr. Ko is deemed to be interested.
3. The percentage of shareholding was calculated based on the Company's total number of issued Shares as at 31 March 2020 (i.e. 1,000,000,000 Shares).

Save as disclosed above, as at 31 March 2020, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall under the provisions of Divisions 2 and 3 of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Other Information

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Save as disclosed in the sub-sections headed "Disclosure of Interests" and "Share Option Scheme" herein, at no time during the three months ended 31 March 2020 was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executive of the Company (including their spouses or children under 18 years of age) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' AND CONTROLLING SHAREHOLDERS' COMPETING INTERESTS

For the three months ended 31 March 2020, the Directors have confirmed that to the best of their knowledge, information and belief and having made all reasonable enquiries, none of the Directors, the Controlling Shareholders and their respective close associates (as defined in the GEM Listing Rules) had any business or interests in any company that competes or may compete with the business of the Group and any other conflict of interests which any such person has or may have with the Group.

INTERESTS OF THE COMPLIANCE ADVISER

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Giraffe Capital Limited as its compliance adviser, which provides advices and guidance to the Company in respect of compliance with the GEM Listing Rules including various requirements relating to the Directors' duties. Except for the compliance adviser agreement entered into between the Company and the compliance adviser dated 3 August 2017, neither the compliance adviser nor its directors, employees or close associates had any interests in relation to the Company which is required to be notified to the Group pursuant to Rule 6A.32 of the GEM Listing Rules as at 31 March 2020.

CORPORATE GOVERNANCE PRACTICES AND COMPLIANCE

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules (the "CG Code"). The Board and the management of the Company are committed to maintaining and achieving a high standard of corporate governance practices with an emphasis on a quality Board, an effective accountability system and a healthy corporate culture in order to safeguard the interests of the shareholders of the Company and enhance the business growth of the Group. Where applicable, the Company has complied with the code provisions as set out in the CG Code during the three months ended 31 March 2020 and up to the date of this report.

Other Information

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules ("Required Standard of Dealings") regarding Directors' securities transactions. Having been enquired by the Company, all Directors confirmed that they had complied with the Required Standard of Dealings during the three months ended 31 March 2020.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the three months ended 31 March 2020.

SHARE OPTION SCHEME

The Company has conditionally adopted a share option scheme (the "Share Option Scheme") on 16 April 2018 pursuant to a resolution passed by the Company's then sole shareholder. The purpose of the Share Option Scheme is to provide eligible participants an opportunity to have a personal stake in the Company and to motivate, attract and retain the eligible participants whose contributions are important to the long-term growth and profitability of the Group. Eligible participants of the Share Option Scheme include any employee, adviser, consultant, service provider, agent, customer, partner or joint-venture partner of the Company or any of its subsidiaries (including any director of the Company or any of its subsidiaries) who is in full-time or part-time employment with or otherwise engaged by the Company or any of its subsidiaries at the time when an option is granted.

The Share Option Scheme became effective on the Listing Date and, unless otherwise cancelled or amended, will remain in force for 10 years commencing on the Listing Date.

No share option was granted, lapsed, exercised or cancelled by the Company under the Share Option Scheme since its adoption on 16 April 2018 and there was no outstanding share option as at the date of this report.

Further details on the principal terms of the Share Option Scheme were summarised in the paragraph headed "Statutory and General Information — D. Share Option Scheme" in Appendix IV to the Prospectus.

Other Information

AUDIT COMMITTEE AND REVIEW OF ACCOUNTS

The Company has established the Audit Committee on 16 April 2018 with written terms of reference in compliance with the requirements as set out in Rules 5.28 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The Audit Committee consists of three members, all of whom are the independent non-executive Directors, namely Mr. Chan Kim Sun (chairman), Mr. To King Yan, Adam and Mr. Kwok Chee Kin.

The primary duties of the Audit Committee are, among others, to make recommendations to the Board on the appointment, reappointment and removal of external auditor, review the financial information, oversee the financial reporting process, internal control and risk management systems and audit process, and perform other duties and responsibilities as assigned by the Board.

The Audit Committee has reviewed the unaudited condensed consolidated financial information of the Group for the three months ended 31 March 2020 and this report, and is of the opinion that the preparation of such statements complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

FORWARD LOOKING STATEMENTS

This report contains certain statements that are forward-looking or which use certain forward-looking terminologies. These forward-looking statements are based on the current beliefs, assumptions and expectations of the Directors regarding the industry and markets in which it operates. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company's control which may cause actual results or performance to differ materially from those expressed or implied in such forward-looking statements.

By Order of the Board
Vision International Holdings Limited
Mr. Ko Sin Yun
Chairman and Executive Director

Hong Kong, 14 May 2020