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GROUP SENSE (INTERNATIONAL) LIMITED

權智(國際)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 601)

PROFIT WARNING

The Board wishes to inform the shareholders of the Company and investors that it is expected that the annual results of the Group for the year ended 31st March, 2009 may record a loss.

Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.

This announcement is made by Group Sense (International) Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the announcement of the Company dated 31st October, 2008 and the interim report of the Company for the six months ended 30th September, 2008. The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and investors that it is expected that the annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31st March, 2009 may record a loss which was mainly due to the decline in turnover and profit.

The decline in turnover and profit is mainly due to (i) the sales reduction caused by the global economic downturn; (ii) the depreciation of other Asian currencies which affect the sales revenue; and (iii) the increase of labour costs in the Mainland and the appreciation of Renminbi against Hong Kong dollars which has resulted in an increase in the Group’s operation costs in the Mainland.

In view of the decline, the Company’s management will adopt stringent cost control measure, continues to closely monitor the product development schedule and explore new customers.

This profit warning announcement is only based on the preliminary assessment by the Company’s management according to the management accounts of the Group which has not been audited or reviewed by the Company’s auditors. Investors are advised to read carefully the annual results announcement for the year ended 31st March, 2009 of the Group which is expected to be announced in July 2009.

Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.

By order of the Board
Group Sense (International) Limited
Dr. Tam Wai Ho, Samson JP
Chairman

Hong Kong, 19th May, 2009

** For identification purpose only*

As at the date of this announcement, the Board comprises Dr. Tam Wai Ho, Samson JP, Mr. Tam Wai Tong, Thomas, Mrs. Tam Mui Ka Wai, Vivian, Mr. Kazuhiro Otani, Mr. Lee Koon Hung, Dr. Fok Ting Yeung, James, and Ms. Luk Chui Yung, Judith as executive directors; Mr. Lo Chi Chung, William as non-executive director; Mr. Yung Wing Ki, Samuel MH, JP, Mr. Ho Kwok Shing, Harris and Mr. Wong Kon Man, Jason as independent non-executive directors.

Website: <http://www.gsl.com.hk>