



SUNeVision Holdings Ltd. 新意網集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock code 股份代號：8008

2006-2007

Third Quarterly Report

第三季度業績報告

Results for the nine months ended 31 March 2007
截至2007年3月31日止九個月業績



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This report, for which the directors of the Company (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief: (i) the information contained in this report is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement in this report misleading; and (iii) opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

HIGHLIGHTS

- SUNeVision continued profitable in the first nine months of the financial year 2006/07, recording a profit attributable to equity holders of the Company of HK\$100.0 million for the nine months ended 31 March 2007.
- Revenue in the first nine months of the financial year 2006/07 was HK\$236.9 million, HK\$34.2 million higher than in the same period of last financial year. Factors contributing to the increase included higher revenues from the Group's data centre and last-mile connectivity businesses.
- Other income was HK\$39.3 million for the period, it was substantially lower than the HK\$114.1 million in the same period of last financial year, which had benefited primarily from a one-time gain upon redemption of several bond holdings.
- After the payment of the normal and special dividends of approximately HK\$1.4 billion, the Group's financial position remained strong with approximately HK\$330.0 million of cash and interest-bearing securities on hand.

	Jul 2006 to Mar 2007 HK\$'M	Jul 2005 to Mar 2006 HK\$'M
Revenue	236.9	202.7
Gross profit	102.5	80.6
– as a percentage of revenue	43%	40%
Operating expenditure*	(35.6)	(31.0)
Other income	39.3	114.1
Profit before taxation and minority interests	106.2	163.7
Deferred taxation	(7.4)	(5.7)
Minority interests	1.2	–
Profit attributable to the Company's shareholders	100.0	158.0

* Selling, general and administrative expenses

CHAIRMAN'S STATEMENT

SUNeVision continued profitable in the first nine months of the financial year 2006/07, recording a profit attributable to equity holders of the Company of HK\$100.0 million for the nine months ended 31 March 2007.

Revenue in the first nine months of the financial year 2006/07 was HK\$236.9 million, HK\$34.2 million higher than in the same period of last financial year. Factors contributing to the increase included higher revenues from the Group's data centre and last-mile connectivity businesses. Compared to the same period of last financial year, gross margin improved by three percent to 43 percent, largely as a result of the increase in revenues and continuous improvement in cost of sales.

Other income, being income in addition to revenue from operations, was HK\$39.3 million. This was substantially lower than in the same period of last financial year, where other income was made up primarily of a one-time gain upon redemption of several bond holdings.

Operating expenditures were HK\$35.6 million. This was moderately higher than in the same period of last financial year, due largely to additional costs incurred by the launch of the Red Dots business on the mainland earlier in the current financial year.

Profit attributable to equity holders of the Company was HK\$100.0 million. This was substantially lower than the HK\$158.0 million in the same period of last financial year, due largely to the aforementioned one-time gain upon redemption of several bond holdings. The Group's recurring profit remained strong, however, as evidenced by the increase in gross profit and continued cost control.

After payment of the normal and special dividends of approximately HK\$1.4 billion approved by shareholders at the Annual General Meeting in October 2006, the Group's financial position remained strong with approximately HK\$330 million of cash and interest-bearing securities on hand. As noted in the Interim Report for the current financial year, the Group's future interest income will be substantially reduced given the payment of dividends to shareholders.

CHAIRMAN'S STATEMENT *(Continued)*

During the first nine months of the financial year, iAdvantage continued to win new business and renew existing contracts from major multinational and local firms. Overall data centre occupancy was approximately 74 percent, a clear improvement over the approximately 69 percent occupancy in the same period of last financial year. During the period, the Group's other business units continued to strengthen their market positions and trim costs.

In the remainder of the present financial year, iAdvantage will seek to strengthen its market position and increase the occupancy of its data centres in Hong Kong and the mainland. As noted in the Interim Report for the current financial year, the Group aims to improve upon last year's recurring profit so that payment of dividend to shareholders may be considered at the end of the financial year.

Finally, I would like to thank the board, management, and every member of staff for their enthusiasm and dedicated hard work, and our shareholders for their continued loyalty and support.

Kwok Ping-luen, Raymond

Chairman

Hong Kong, 10 May 2007

CHIEF EXECUTIVE OFFICER'S REPORT

Overview

Revenues of SUNeVision's business units for the nine months ended 31 March 2007 increased steadily as compared against the same period of last financial year, driven by continuous improvements in both demand and pricing. At both Group and business unit levels, costs continued to be vigilantly controlled. During the period, SUNeVision recorded a profit attributable to equity holders of the Company of HK\$100.0 million.

Business Review

Data Infrastructure

iAdvantage

iAdvantage continued to strengthen its market leadership in carrier-neutral data centre services in Hong Kong and the mainland, winning new business from multinational financial institutions and other corporations and renewing contracts with major existing customers. Overall occupancy was approximately 74 percent, a clear improvement over the 69 percent recorded in the same period last year.

iAdvantage continues to attract and meet the demand for data centre facilities and services from the financial, telecommunications, high-tech, general industry, and public administration sectors. The company is actively seeking expansion opportunities in world-class data centre infrastructure to meet growing market demand.

Super e-Technology

Super e-Technology continued to win tenders for the installation of ELV and SMATV systems at major developments. The company was awarded a contract to install an advanced biometric facial recognition system for a prestigious property management company. During the period the demand for the company's CCTV DVR (digital video recorder) solutions continued to grow steadily.

Super e-Network

Super e-Network continued to grow its broadband network deployment and value-added service business. The broadband installation work at Manhattan Hill is proceeding on schedule. The company continues to introduce new broadband-based value-added services and look for new business opportunities in the estates.

CHIEF EXECUTIVE OFFICER'S REPORT *(Continued)*

Enabling Services

SuperHome

SuperHome continued to provide convenient and diversified on-line and on-sites services to residential estates. The company now covers over 40 estates in Hong Kong and will strive to expand its services to additional estates.

SuperStreets

SuperStreets continued to provide competitive and convenient mortgage referrals and other property-related services to home buyers.

Red-Dots

Red-Dots continued to serve its loyal user community with its trusted e-commerce and e-auction platform. The development of Red-dots China (www.reddots.cn) is proceeding on schedule with steady growth in active members, registered merchants, and traffic. The recently revamped B2B e-commerce platform is attracting a growing number of corporate and merchant partners. The business continues to develop its core merchant and membership networks on the mainland.

Investment

Venture Capital

The venture capital group stayed with its prudent and conservative approach to investing and continues to evaluate investment opportunities carefully. Funds will only be committed where returns are justifiably attractive. No further provisions were made to the existing investment portfolio during the period under review.

In closing, I would like to thank all our staff for their commitment and hard work, the Board for its guidance, and shareholders for their continued trust and support.

So Sing-tak, Andrew

Chief Executive Officer

Hong Kong, 10 May 2007

QUARTERLY RESULTS

For the period ended 31 March 2007

The Board of Directors (the "Board") of SUNeVision Holdings Ltd. (the "Company" or "SUNeVision") is pleased to announce the unaudited results of the Company and its subsidiaries (the "Group") for the three months and nine months ended 31 March 2007 together with the comparative unaudited figures for the corresponding periods in 2006 as follows:

	Notes	(Unaudited) Three months ended 31 March		(Unaudited) Nine months ended 31 March	
		2007 HK\$'000	2006 HK\$'000	2007 HK\$'000	2006 HK\$'000
Revenue	2	80,826	70,340	236,876	202,723
Cost of sales		(44,998)	(42,782)	(134,376)	(122,075)
Gross profit		35,828	27,558	102,500	80,648
Other income	3	3,486	17,967	39,290	114,068
Selling expenses		(2,462)	(1,590)	(7,518)	(4,860)
Administrative expenses		(8,337)	(9,035)	(28,088)	(26,167)
Profit before taxation		28,515	34,900	106,184	163,689
Income tax expense	4	(2,760)	(2,238)	(7,346)	(5,694)
Profit for the period		25,755	32,662	98,838	157,995
Attributable to:					
Equity holders of the Company		26,077	32,662	100,036	157,995
Minority interests		(322)	–	(1,198)	–
		25,755	32,662	98,838	157,995
Earnings per share - Basic	5	1.28 cents	1.61 cents	4.93 cents	7.80 cents

Notes:
1. Basis of Preparation

The unaudited consolidated results have been prepared in accordance with accounting principles generally accepted in Hong Kong which include Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants. They have been prepared on the historical cost basis, except for investment properties and certain financial instruments, which are measured at fair values.

2. Revenue

Revenue represents the aggregate of income from Internet services centres and information technology facilities, installation and maintenance of satellite master antenna television system, communal aerial broadcast distribution, structural cabling and security systems, property rentals and building management services, after elimination of all significant inter-company transactions between group companies.

3. Other Income

	Three months ended 31 March		Nine months ended 31 March	
	2007 HK\$'000	2006 HK\$'000	2007 HK\$'000	2006 HK\$'000
Interest income	4,027	17,674	35,843	48,218
Exchange gain	–	–	2,619	–
Others	245	293	1,511	807
(Loss) Gain on redemption/disposal of debt securities	(786)	–	(683)	65,043
	3,486	17,967	39,290	114,068

4. Income Tax Expense

	Three months ended 31 March		Nine months ended 31 March	
	2007 HK\$'000	2006 HK\$'000	2007 HK\$'000	2006 HK\$'000
Deferred taxation relating to origination and reversal of temporary differences	2,760	2,238	7,346	5,694

No tax is payable on the profit for both periods arising in Hong Kong since the estimated assessable profit is wholly absorbed by tax losses brought forward.

5. Earnings Per Share

The calculation of the basic earnings per share is based on the unaudited profit attributable to equity holders of the Company for the three months and nine months ended 31 March 2007 of HK\$26,077,000 and HK\$100,036,000 (three months and nine months ended 31 March 2006: HK\$32,662,000 and HK\$157,995,000) and on the weighted average number of 2,031,483,833 and 2,030,071,646 (three months and nine months ended 31 March 2006: 2,026,730,833) ordinary shares in issue during the respective periods.

No diluted earnings per share is presented for the three months and nine months ended 31 March 2007 and 2006 as the exercise price of the Company's outstanding share options was higher than the average market price of the shares of the Company during the periods.

6. Reserves

	Three months ended 31 March						Total	Total
	2007							
	Share premium	Exchange reserve	Property revaluation reserve	Investment revaluation reserve	Share-based payment transactions reserve	Accumulated losses	Total	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At beginning of the period	2,536,033	424	98	12,246	538	(783,755)	1,765,584	2,886,298
Change in fair value on investments	-	-	-	19,057	-	-	19,057	5,397
Release upon redemption of investments	-	-	-	786	-	-	786	-
Employee share options benefits	-	-	-	-	-	-	-	356
Profit for the period	-	-	-	-	-	26,077	26,077	32,662
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	-	-	-	-	(2)
At end of the period	2,536,033	424	98	32,089	538	(757,678)	1,811,504	2,924,711

6. Reserves (Continued)

	Nine months ended 31 March							2007	
	2007						Total		Total
	Share premium	Exchange reserve	Property revaluation reserve	Investment revaluation reserve	Share-based payment transactions reserve	Accumulated losses			
At beginning of the period	3,869,076	424	98	(361)	1,964	(766,080)	3,105,121	2,916,773	
Issue of new shares upon exercise of share options	7,736	-	-	-	(1,249)	-	6,487	-	
Cancellation of share options	-	-	-	-	(185)	185	-	-	
Change in fair value on investments	-	-	-	31,364	-	-	31,364	4,909	
Release upon redemption/ disposals of investments	-	-	-	1,086	-	(403)	683	(64,556)	
Employee share options benefits	-	-	-	-	8	-	8	795	
Profit for the period	-	-	-	-	-	100,036	100,036	157,995	
Dividend paid	(1,340,779)	-	-	-	-	(91,416)	(1,432,195)	(91,203)	
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	-	-	-	-	(2)	
At end of the period	2,536,033	424	98	32,089	538	(757,678)	1,811,504	2,924,711	

DIVIDEND

The Board does not recommend the payment of an interim dividend for the nine months ended 31 March 2007 (2006: Nil).

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 31 March 2007, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and 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 were 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 recorded in the register required to be kept by the Company under section 352 of the SFO, or which were required, pursuant to the required standard of dealings by Directors as referred to in GEM Rules 5.49 to 5.67, to be notified to the Company and the Stock Exchange, were as follows:

1. Long positions in shares and underlying shares of the Company

Name of Director	Number of shares held			Total	Number of underlying shares held under equity derivatives	Total	% of shares in issue
	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Other interests				
Kwok Ping-luen, Raymond	-	-	1,742,500 ¹	1,742,500	-	1,742,500	0.08
Kwok Ping-sheung, Walter	-	-	1,070,000 ¹	1,070,000	-	1,070,000	0.05
Kwok Ping-kwong, Thomas	-	-	1,070,000 ¹	1,070,000	-	1,070,000	0.05
So Sing-tak, Andrew	326,667	-	-	326,667	133,333 ²	460,000	0.02
Wong Yick-kam, Michael	100,000	-	-	100,000	-	100,000	0
So Chung-keung, Alfred	-	543	-	543	67,000 ²	67,543	0
Wong Chin-wah	-	-	-	-	70,000 ²	70,000	0
Tsim Wing-kit, Alfred	-	-	-	-	50,000 ²	50,000	0
King Yeo-chi, Ambrose	500	-	-	500	-	500	0

1. Long positions in shares and underlying shares of the Company (Continued)

Notes:

- Of these shares in the Company, Messrs. Kwok Ping-luen, Raymond, Kwok Ping-sheung, Walter and Kwok Ping-kwong, Thomas were deemed to be interested in 1,070,000 shares by virtue of being beneficiaries of certain discretionary trusts, which represented the same interests and were therefore duplicated amongst these three Directors for the purpose of the SFO.
- These represented the interests in the underlying shares of the Company in respect of the shares options (being regarded for the time being as unlisted physically settled equity derivatives) granted by the Company, the details of which are set out in the section entitled "Share Option Schemes".

2. Long positions in shares and underlying shares of the associated corporations of the Company

(a) Sun Hung Kai Properties Limited ("SHKP")

Name of Director	Number of shares held				Total	Number of underlying shares held under equity derivatives	Total	% of shares in issue
	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Corporate interests (interests of controlled corporation)	Other interests				
Kwok Ping-luen, Raymond	75,000	-	-	1,082,165,895 ¹	1,082,240,895	-	1,082,240,895	43.43
Kwok Ping-sheung, Walter	75,000	-	-	1,080,972,522 ¹	1,081,047,522	-	1,081,047,522	43.39
Kwok Ping-kwong, Thomas	1,976,281	304,065	-	1,079,022,214 ¹	1,081,302,560	-	1,081,302,560	43.39
Chan Kui-yuen, Thomas	-	66,000	126,500	-	192,500	-	192,500	0
Wong Yick-kam, Michael	145,904	-	-	-	145,904	-	145,904	0
So Chung-keung, Alfred	189,985	6,500	-	-	196,485	-	196,485	0
Wong Kai-man	-	-	-	-	-	20,426 ²	20,426	0

Notes:

- Of these shares in SHKP, Messrs. Kwok Ping-luen, Raymond, Kwok Ping-sheung, Walter and Kwok Ping-kwong, Thomas were deemed to be interested in 1,058,988,347 shares by virtue of being beneficiaries of certain discretionary trusts, which represented the same interests and were therefore duplicated amongst these three Directors for the purpose of the SFO.
- Mr. Wong Kai-man was deemed to be interested in these underlying shares of SHKP by virtue of having a security interest in equity derivatives for the purpose of the SFO.

2. Long positions in shares and underlying shares of the associated corporations of the Company (Continued)

(b) SmarTone Telecommunications Holdings Limited

Name of Director	Number of shares held		Total	Number of underlying shares held under equity derivatives	Total	% of shares in issue
	Family interests (interests of spouse or child under 18)	Other interests				
Kwok Ping-luen, Raymond	-	2,237,767 ¹	2,237,767	-	2,237,767	0.38
Li On-kwok, Victor	5,000	-	5,000	-	5,000	0

Note:

- Mr. Kwok Ping-luen, Raymond was deemed to be interested in these shares by virtue of being beneficiary of certain discretionary trust(s) for the purpose of the SFO.
- (c) Each of Messrs. Kwok Ping-luen, Raymond, Kwok Ping-sheung, Walter and Kwok Ping-kwong, Thomas had the following interests in shares of the following associated corporations:

Name of associated corporation	Attributable holding through corporation	Attributable % of shares in issue through corporation	Actual holding through corporation	Actual % interests in issued shares
Splendid Kai Limited	2,500	25	1,500 ¹	15
Hung Carom Company Limited	25	25	15 ¹	15
Tinyau Company Limited	1	50	1 ¹	50
Open Step Limited	8	80	4 ¹	40

Note:

- Messrs. Kwok Ping-luen, Raymond, Kwok Ping-sheung, Walter and Kwok Ping-kwong, Thomas were deemed to be interested in these shares, which represented the same interests and were therefore duplicated amongst these three Directors for the purpose of the SFO. Those shares were held by corporations in which they were entitled to control the exercise of one-third or more of the voting rights in the general meetings of those corporations.

SHARE OPTION SCHEMES

The Company had adopted a share option scheme (the “Old Share Option Scheme”), the principal terms of which were summarized in the section headed “Statutory and General Information Share Option Schemes” in Appendix 5 to the Company’s prospectus dated 6 March 2000. By ordinary shareholders’ resolutions passed at the annual general meeting held on 3 December 2002, the Company had adopted another share option scheme (the “New Share Option Scheme”) and terminated the Old Share Option Scheme. These have become effective on 5 December 2002 as a result of the passing of ordinary resolutions approving the same by the shareholders of SHKP, the Company’s holding company, at its general meeting held on the same day.

1. Old Share Option Scheme

Since the adoption of the Old Share Option Scheme, the Company had granted four lots of share options, of which the options at the exercise price of HK\$10.38 per share had expired at the close of business on 30 December 2005. No further options may be offered under the Old Share Option Scheme. However, the outstanding options granted under the Old Share Option Scheme shall continue to be subject to the provisions of the Old Share Option Scheme and the provisions of Chapter 23 of the GEM Listing Rules.

The options at the exercise price of HK\$3.885 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (a) one-third of the options within three years commencing on 15 November 2001;
- (b) a further one-third of the options within three years commencing on 15 November 2002;
- (c) the remaining one-third of the options within three years commencing on 15 November 2003; and
- (d) the options had expired at the close of business on 14 November 2006.

SHARE OPTION SCHEMES *(Continued)*

1. Old Share Option Scheme *(Continued)*

The options at the exercise price of HK\$2.34 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (a) one-third of the options within three years commencing on 20 March 2002;
- (b) a further one-third of the options within three years commencing on 20 March 2003;
- (c) the remaining one-third of the options within three years commencing on 20 March 2004; and
- (d) the options had expired at the close of business on 19 March 2007.

The options at the exercise price of HK\$1.43 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (a) one-third of the options within three years commencing on 8 July 2003;
- (b) a further one-third of the options within three years commencing on 8 July 2004;
- (c) the remaining one-third of the options within three years commencing on 8 July 2005; and
- (d) the options will expire at the close of business on 7 July 2008.

SHARE OPTION SCHEMES *(Continued)*

2. New Share Option Scheme

The Company had granted two lots of share options under the New Share Option Scheme since its adoption.

The options at the exercise price of HK\$1.59 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (a) an amount up to one-third of the grant within three years commencing on 29 November 2004;
- (b) the remaining amount but up to two-thirds of the grant within three years commencing on 29 November 2005;
- (c) the remaining amount within three years commencing on 29 November 2006; and
- (d) the options will expire at the close of business on 28 November 2009.

The options at the exercise price of HK\$1.41 per share may be exercised in accordance with the terms of the relevant scheme in full at any time within three years from 10 November 2005 and the options will expire at the close of business on 9 November 2008.

SHARE OPTION SCHEMES (Continued)

The following shows the outstanding positions of the Directors as at 31 March 2007 with respect to their share options granted under the Old Share Option Scheme and New Share Option Scheme:

Name of Director	Date of grant	Exercise price HK\$	Number of share options				Balance as at 31.3.2007
			Balance as at 1.7.2006	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	
Kwok Ping-luen, Raymond	7.4.2001	2.34	116,666	-	-	116,666	-
Kwok Ping-sheung, Walter	7.4.2001	2.34	60,000	-	-	60,000	-
Kwok Ping-kwong, Thomas	7.4.2001	2.34	60,000	-	-	60,000	-
So Sing-tak, Andrew	8.7.2002	1.43	400,000	-	266,667	133,333	-
	29.11.2003	1.59	400,000	-	266,667	-	133,333
	10.11.2005	1.41	1,000,000	-	1,000,000	-	-
Chan Kui-yuen, Thomas	7.4.2001	2.34	60,000	-	-	60,000	-
Wong Yick-kam, Michael	7.4.2001	2.34	60,000	-	-	60,000	-
So Chung-keung, Alfred	7.4.2001	2.34	60,000	-	-	60,000	-
	29.11.2003	1.59	200,000	-	133,000	-	67,000
Tung Chi-ho, Eric	7.4.2001	2.34	60,000	-	-	60,000	-
Wong Chin-wah	7.4.2001	2.34	60,000	-	-	60,000	-
	29.11.2003	1.59	200,000	-	130,000	-	70,000
Tung Yiu-kwan, Stephen (resigned with effect from 26 October 2006)	7.4.2001	2.34	60,000	-	-	60,000	-
	29.11.2003	1.59	200,000	-	133,333	66,667	-
	10.11.2005	1.41	250,000	-	250,000	-	-
Tsim Wing-kit, Alfred	7.4.2001	2.34	45,000	-	-	45,000	-
	8.7.2002	1.43	150,000	-	100,000	50,000	-
	29.11.2003	1.59	150,000	-	100,000	-	50,000
	10.11.2005	1.41	250,000	-	250,000	-	-

SHARE OPTION SCHEMES *(Continued)*

3. Share Option Schemes of Subsidiaries

In addition to the Old Share Option Scheme and the New Share Option Scheme, the Group operates another share option scheme which was approved for iAdvantage Limited (“iAdvantage”), a subsidiary of the Company, allowing the Board of Directors of the Company the right to grant to the full-time employees and executive directors of iAdvantage or any of its subsidiary options to subscribe for shares of iAdvantage in aggregate up to 10% of its issued capital from time to time. The exercise period of any options granted under the share option scheme of iAdvantage shall commence on the date of grant of the option and expire on such date as determined by the board of directors of iAdvantage or 28 February 2010, whichever is the earlier, and subject to the provisions for early termination contained therein. No option shares for iAdvantage have been granted to any person since its adoption.

4. Arrangement to purchase shares or debentures

Other than the share option schemes as mentioned above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 March 2007, the long positions of persons, other than Directors or chief executive of the Company, being 10% or more in the interest in shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

Name	Total number of shares	% of shares in issue
Sunco Resources Limited ¹ (“Sunco”)	1,713,613,500	84.35
SHKP ²	1,713,613,500	84.35
HSBC International Trustee Limited ³ (“HSBCIT”)	1,717,623,249	84.55

INTERESTS OF SUBSTANTIAL SHAREHOLDERS *(Continued)*

Notes:

1. Sunco is the beneficial owner of the 1,713,613,500 shares.
2. As Sunco is a wholly-owned subsidiary of SHKP, SHKP is deemed to have interest in the 1,713,613,500 shares of the Company held by Sunco for the purpose of the SFO.
3. HSBCIT is deemed to have interest in the 1,713,613,500 shares of the Company held by SHKP for the purpose of the SFO. Of the shares in SHKP in which HSBCIT was interested, 1,058,988,347 shares were the shares referred to in Note 1 to sub-section 2(a) of the section entitled "Directors' and Chief Executive's Interests".

Save as disclosed above, as at 31 March 2007, none of the substantial shareholders were taken to be interested or deemed to have any other interests or short positions in shares, underlying shares or debentures of the Company that were required to be entered into the register kept by the Company pursuant to section 336 of the SFO.

INTERESTS OF OTHER PERSONS

As at 31 March 2007, other than the interests in shares and underlying shares of the Company and its associated corporations held by the Directors, chief executive and substantial shareholders of the Company stated above, there were no other persons with interests recorded in the register required to be kept under section 336 of the SFO.

MANAGEMENT SHAREHOLDERS

So far as the Directors are aware, other than Sunco and SHKP as disclosed above, there was no other person during the period who was directly or indirectly interested in 5% or more of the shares then in issue of the Company and who was able, as a practical matter, to direct or influence the management of the Company.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Professor Li On-kwok, Victor, an Independent Non-executive Director of the Company, is well recognized leader in the field of information technology development and has been appointed to various positions including consultants and directors to institutions and business entities which are engaged in research, development and business. These institutions and business entities may be in competition with the Group.

Save as disclosed in this section, none of the Directors or the management shareholders of the Company have any interest in any business which may compete with the business of the Group.

AUDIT COMMITTEE

Upon the resignation of Dr. Fong Ching, Eddy and Professor Kao Kuen, Charles as Independent Non-executive Directors with effect from 27 October 2006 and 1 January 2007 respectively and the subsequent appointments of two Independent Non-executive Directors on 1 January and 16 January 2007, the Audit Committee has four members comprising three Independent Non-executive Directors, Mr. Wong Kai-man (Chairman of the Committee), Professor Li On-kwok, Victor and Professor King Yeo-chi, Ambrose and one Non-executive Director, Mr. Cheung Wing-yui, with terms of reference in compliance with the GEM Listing Rules. The Audit Committee has reviewed the draft of this report and has provided advice and comments thereon.

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

During the nine months ended 31 March 2007, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

By Order of the Board
Kwok Ping-luen, Raymond
Chairman

Hong Kong, 10 May 2007

As at the date of this report, the Board of Directors comprises ten Executive Directors, being KWOK Ping-luen, Raymond, KWOK Ping-sheung, Walter, KWOK Ping-kwong, Thomas, SO Sing-tak, Andrew, CHAN Kui-yuen, Thomas, WONG Yick-kam, Michael, SO Chung-keung, Alfred, TUNG Chi-ho, Eric, WONG Chin-wah and TSIM Wing-kit, Alfred; one Non-Executive Director, being CHEUNG Wing-yui; and three Independent Non-Executive Directors, being Professor LI On-kwok, Victor, Professor KING Yeo-chi, Ambrose and WONG Kai-man.

SUNeVision Holdings Ltd.

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