



SUNeVision Holdings Limited
新意網集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Announcement of the 2000 Final Results

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

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This announcement, for which the directors of SUNeVision Holdings Limited ("SUNeVision" or the "Company") 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 of Hong Kong Limited for the purpose of giving information with regard to SUNeVision. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

SUMMARY

SUNeVision's initial public offering on the Growth Enterprise Market (GEM) of The Stock Exchange of Hong Kong Limited in March 2000 was extremely successful. Total net proceeds of approximately HK\$3.38 billion were raised and, as of 30 June 2000, the company had cash reserves of about HK\$3.08 billion.

Turnover for the year grew by over 40% to approximately HK\$67.1 million, and revenue from new businesses accounted for most of that growth. Net loss for the year ended 30 June 2000 were approximately HK\$46.5 million largely due to initial costs incurred in setting up new businesses and rolling out new services.

The Directors do not recommend any final dividend for the year ended 30th June 2000.

CHAIRMAN'S STATEMENT

I am pleased to present the audited consolidated results for the year ended 30th June 2000 of SUNeVision Holdings Limited ("SUNeVision") and its subsidiaries ("Group") to shareholders, covering a year of strong business momentum and top-line growth for the Group.

SUNeVision aspires to be the partner of choice in Asia for technology infrastructure and for enabling solutions. It has already demonstrated an ability to create a well-integrated business that spans the full range of existing and evolving Internet opportunities reaching out into the region.

Listing on the Growth Enterprise Market

SUNeVision's initial public offering on the Growth Enterprise Market (GEM) of the Stock Exchange of Hong Kong Limited in March 2000 was extremely successful with 55 and 217 times oversubscribed for its international placing and public offer respectively. Over 420,000 applications were received in the public offer, a return ratio of approximately 35% and a total of HK\$70 billion was locked up in the applications. Total net proceeds of approximately HK\$3.38 billion were raised.

Financial Highlights

Turnover for the year grew by over 40% to approximately HK\$67.1 million, and revenue from new business accounted for most of that growth. Net losses for the year ended 30 June 2000 were approximately HK\$46.5 million largely due to initial costs incurred in setting up new businesses and rolling out new services. As of 30 June 2000, the Company had cash reserves of about HK\$3.08 billion.

The Directors do not recommend the payment of a final dividend for the year ended 30 June 2000.

Business Operations

SUNeVision swiftly achieved its primary objective of harnessing the existing core technology strengths of its parent, Sun Hung Kai Properties Limited (SHKP). These capabilities are now being purposefully integrated into a powerful single enterprise driven by a synergistic strategy.

During the year under review, SUNeVision consistently achieved its original targets for business expansion, demonstrating its management capability and an ability to move quickly in an environment of fast moving technology while executing solutions with excellence. It assembled core teams of top talent that combine business acumen and experience with a flair for technology and innovation.

Each of our business divisions are already generating revenue and are aiming at profitability.

iAdvantage

Our Internet infrastructure business, centred on iAdvantage, is set to become a world-class, full-service provider of Internet services and network connectivity in Asia. It moved early to gain immediate revenues from its new Internet services centres in Hong Kong, Beijing, and Shanghai, as well as gaining a strong foothold in Singapore by partnering with Wing Tai Holdings Limited in yet another new centre. iAdvantage has achieved encouraging results with its first Internet services centre in Hong Kong at ONE-iAdvantage, Millennium City which was fully leased within five months of its rollout. iAdvantage opened its first multi-storey Internet services centre, JUMBO-iAdvantage, Tsuen Wan in May 2000 and has leased out more than 40% of its space. It is now well prepared to extend its cross-boundary market reach to Guangzhou and Shenzhen and to create key points of presence in Asia, North America and Europe. To facilitate high-bandwidth connectivity at these locations, SUNeVision has secured strategic alliances such as the partnership with international broadband network provider, 360networks of North America and investment in cable builder, C2C Asia Pacific.

Super-office

SUNeVision's growing Internet presence includes the application service provider Super-office, which offers a full range of front- and back-end application services to business customers. Super-office's pilot programme was satisfactorily completed in a number of SHKP's commercial developments. A professional team was built up, and revenue was generated before the full-scale launch of the service in August 2000.

The scope and content of Super-office is steadily growing, and it currently has more than 300 business users. An example of its e-market solution initiatives is a partnership with the Hong Kong Plastics Technology Centre to develop a plastics industry e-marketplace with the backing of 24 plastics industry leaders.

SuperHome

SuperHome provides an extensive service platform that delivers estate and neighbourhood specific information as well as general content with a persuasive appeal for an even broader audience. Part of SuperHome's competitive edge is derived from its excellent relationships with residents and management offices in SHKP estates. The services were initially designed for delivery to the 150,000 families living in developments managed by SHKP. Future plans call for extending its reach to non-SHKP managed households.

SuperHome has enjoyed considerable success, attracting 40,000 registered users by the end of August 2000, and it is expanding aggressively in its coverage of homes. SuperHome has recently signed an agreement with the Mass Transit Railway Corporation to service up to 57,000 homes. It is vigorously recruiting new partners to provide more useful products and services. In line with SUNeVision's mission to move into Asia, the platform that SuperHome has developed is also well suited to promote SUNeVision's regional growth.

SuperStreets

Within the linked portfolio that makes up SuperStreets, PropertyStreet has built a strong brand presence based on valuable content and relevant information about the property market in general and individual property offerings in particular. This has effectively translated SHKP's command of the high ground in the property arena into Internet terms, and 30 other property agents have joined the five leading property agents that were original members of the site. PropertyStreet shows SUNeVision's ability to benefit from synergistic relationships by

quickly generating additional revenue streams from mortgage and other referrals to its partners in SuperStreets. BankingStreet and InsuranceStreet have created similar strong partnerships with key players in their respective business areas, building on SHKP's evident reputation and long-term relationships.

Red-Dots

SUNeVision's online auction site, Red-Dots, has rapidly emerged as the market leader in Hong Kong in terms of items traded. It already has more than 75,000 registered users. Red-Dots has also attracted international brands such as Coca-Cola to co-develop special online auction programmes to generate additional revenue streams from enabler services and to further expand Red-Dots' market reach. Leveraging a large and loyal user base and high levels of service, it is well poised to benefit from the market consolidation widely expected throughout the e-auction and e-tailing sectors. Red-Dots is now well prepared to expand geographically to China and to develop international trading activities.

Super e-Technology

Super e-Technology seeks to become Hong Kong's leading "last mile" owner, installing the cabling needed for fast and robust interconnections between fibre optic telecommunications networks and homes as well as small business users. More than 53,000 users were connected by the end of the period under review. Super e-Technology is pushing forward to bring broadband access and Satellite Master Antennae Television (SMATV) to yet more developments, and it has cemented relationships with local multi-point system distribution operators in order to offer new applications to its customers.

Internet Exchanges

On the partnership level, SUNeVision is involved in full-service Internet exchanges. It has invested in innovative e-trading solutions through Asia2B.com, the Hong Kong and Mainland China hub of the "Global Trading Web" of leading US-based global e-commerce player Commerce One. The Company has also invested in an exchange for the thriving electronics industry, AsianE2E.com.

Investments

SUNeVision continues to pursue high-quality technology investments with interested partners across Asia and in North America. To drive forward its tactical equity investments in Mainland China, it has co-invested with SmarTone Telecommunications Holdings Limited (SmarTone) in the China C-Tech Fund. This will enable it to access a host of partnership and development opportunities in Mainland China. SUNeVision will also fully explore the customer base and the wireless network synergies with SmarTone.

Prospects

While new technology is indeed set to revolutionise our lives and to present limitless business possibilities, the new economy must still learn from the old. In particular it must energetically seek to adopt elements of successful traditional business strategies.

SUNeVision is well positioned to thrive in the emerging global business environment. With its capable and experienced management, proven track record, powerful financial backing, commitment to quality services and a rigorous approach to investment, SUNeVision will emerge even stronger after the period of overall industry adjustment and volatility that is anticipated. The Company is poised to become one of the benchmark companies for the new economy sector. It continues to build out its Internet infrastructure and provide high value Internet enabling services, reinforcing and adding to existing synergies. SUNeVision will execute its tasks with excellence in accordance with a solid growth plan and a well defined strategy. There will be a consistent focus on profitability.

We have set about creating the exact infrastructure elements, services and products most in demand by today's Internet-oriented customers, ranging from residents to commercial tenants. SUNeVision is delivering these Internet related benefits rapidly. At the same time, the utmost attention is being paid to quality, since it is fully recognised that assured products and reliable services hold the key to a high brand reputation.

An essential feature of SUNeVision's integrated business is the leveraging of an extensive customer base to generate successful referrals and the utilisation of cross-selling opportunities from one business unit to another.

SUNeVision's strategy is to seek selective partnerships with high-calibre business entities throughout Hong Kong and the region. Such partnerships enrich core capabilities and create a solid Internet value chain which contributes to business growth. The Group is actively exploring such strategic partnerships and investment opportunities in Asia, working towards securing a number of such relationships in the near future.

The Company's continuing faith in Hong Kong is matched by a determination to carry the SUNeVision brand aggressively into Mainland China, Singapore and the rest of Asia, creating communities of valued clients as well as building the networks and the connectivity that will power the region's trade and economy.

To further strengthen its leading position in the race to the future, overheads will be kept under control while leaving room for promising new investment opportunities in technology and related businesses and for the recruitment of the quality personnel essential to success.

As well as initially leveraging SHKP's customer base and relationships, SUNeVision has also demonstrated its own ability to win new customers and achieve market leadership in Hong Kong. The Company has demonstrated an ability in establishing strong relationships with technology partners in the region and globally. These alliances will be expanded into other markets ahead of the competition. The reach of the Company's network of global partnerships will be expanded to provide the products and services that are truly needed by customers.

The Company is committed to implementing plans for Internet infrastructure expansion in Hong Kong, Mainland China and Asia, keeping pace with the growth of e-commerce in the region and building on the momentum that has so far been established.

When SUNeVision was created, a name was chosen to convey three clear messages:

- SUNeVision has strong parentage;
- The "new e-conomy" forms the heart of the Group's business;
- SUNeVision is inspired by a clear and credible vision.

In light of this competitive, ever-changing technology industry, the Company has not forgotten the human element that is the key to our future. SUNeVision has recruited some of the best talent in the industry, both in Hong Kong and from abroad. The Company aims to provide a working environment for a strong, talented team of professionals, allowing each individual to reach their full potential.

I am delighted that the results of our first year so fully vindicate these messages. I am confident that the momentum, advantage and brand recognition that SUNeVision has gained in this first year will carry us forward to outstanding achievements, to many years of growth, and to real value for our shareholders, partners and customers.

My thanks go to all who have supported us so ably during the year, in particular to my fellow directors, the management and the staff. All have worked tirelessly to prove that SUNeVision delivers on its promises.

Kwok Ping Luen, Raymond
Chairman & Chief Executive Officer
Hong Kong, 22 September, 2000

AUDITED CONSOLIDATED RESULTS 2000

The Directors of SUNeVision are pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 30th June, 2000 together with the comparative audited consolidated results for the year ended 30th June, 1999 as follows:

	Notes	2000 HK\$'000	1999 HK\$'000
Turnover	2	67,069	47,578
Cost of sales		<u>(62,045)</u>	<u>(34,707)</u>
Gross profit		5,024	12,871
Other revenue		<u>122,008</u>	<u>21,101</u>
		127,032	33,972
Research and development expenses		(23,379)	-
Selling expenses		(57,613)	(918)
Administrative expenses		<u>(77,150)</u>	<u>(11,126)</u>
(Loss) profit from operations		(31,110)	21,928
Finance costs		<u>(14,346)</u>	<u>(21,696)</u>
(Loss) profit before taxation		(45,456)	232
Taxation	3	<u>(1,082)</u>	<u>(952)</u>
Loss before minority interests		(46,538)	(720)
Minority interests		<u>2</u>	<u>-</u>
Net loss for the year		<u>(46,536)</u>	<u>(720)</u>
Loss per share -Basic	4	<u>2.59 cents</u>	<u>0.04 cents</u>

Notes:

1. Group reorganization and the basis of preparation

The Company was incorporated in the Cayman Islands on 25 January 2000 as an exempted company with limited liability under the Companies Law (1998 Revision) of the Cayman Islands. Its ultimate holding company is Sun Hung Kai Properties Limited ("SHKP"), which together with its subsidiaries other than members of the Group are hereinafter referred to as "SHKP Group".

Pursuant to a group reorganisation ("Group Reorganisation") to rationalise the structure of the Group in preparation for the listing of the Company's shares on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Company became the holding company of the Group in February 2000 by acquiring the information technology ("IT") infrastructure and Internet services businesses from SHKP Group. The shares of the Company have been listed on GEM since 17 March 2000.

The Group resulting from the Group Reorganisation is regarded as a continuing entity. Accordingly, these financial statements have been prepared on the merger accounting basis as if the Company had always been the holding company of the Group.

2. Turnover

Turnover represents the aggregate of installation and maintenance fees of SMATV/security systems, income from customer use of Internet services centers, Internet facilities, advertising and related services income, and property rent and management income.

3. Taxation

The charge represents Hong Kong Profits Tax calculated at 16% on the estimated assessable profits for the year.

4. Loss per share

The calculation of the loss per share for the year ended 30 June 2000 is based on the loss for the year of HK\$46,536,000 (1999: HK\$720,000) and on the weighted average of 1,799,467,213 (1999: 1,700,000,000) shares that would have been in issue throughout the year on the assumption that the Group Reorganisation has been completed as at 1 July 1998.

No diluted loss per share has been presented as the exercise of the Company's outstanding share options and convertible note would result in a decrease in loss per share.

DIVIDEND

The Directors do not recommend any final dividend for the year ended 30th June 2000. (1999: Nil)

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PROGRESS AGAINST BUSINESS OBJECTIVES

In compliance with the rules of the Growth Enterprise Market (GEM), SUNeVision next presents a summary of actual business progress as measured against the business objectives set out in its Prospectus dated 6 March 2000 ("Prospectus") for the period from 28 February 2000 until 30 June 2000 ("Review Period"). ***Printed items under the column of Actual Business Progress are those exceeding the business objectives for the Review Period.***

Business Objectives for the Review Period as set out in the Prospectus

iAdvantage

To rent out the 10,000 sq ft Phase II of ONE-iAdvantage at Millennium City.

Expansion of server co-location centre network into Mainland China with local ISP provider. Beijing, Shanghai, and Guangzhou centres each to have a GFA of 20,000 sq ft.

Staffing in China to be increased and total number of staff to be increased to 100.

Actual Business Progress in the Review Period

iAdvantage

Phase II of ONE-iAdvantage in Millennium City fully rented out.

Pursuant to an agreement signed in April 2000, a customer has agreed to use six floors (83,000 sq ft) of MEGA-iAdvantage in Chai Wan, expected to be completed by the end of this year.

JUMBO-iAdvantage, with a gross floor area ("GFA") of 150,000 sq ft, was opened in Tsuen Wan in May 2000.

ONE-Beijing and ONE-Shanghai Internet services centres commenced operations on 30 June 2000. These centres have GFA of approximately 12,000 sq ft and 14,300 sq ft respectively¹. Completion of the Guangzhou Internet services centre is expected to take place in December 2000².

Memorandum of Agreement signed on 3 May 2000 with Singapore's Wing Tai Holdings Limited to create Wing Tai iAdvantage for extensive rollout of Internet services centres in Southeast Asia.

Signed share swap and bandwidth agreements with Nasdaq-listed fibre optic backbone provider 360networks on 5 May 2000, enabling iAdvantage to access more bandwidth and points of presence in Asia, Europe and the US.

Two new teams of staff in Beijing & Shanghai were appointed. At the end of the Review Period, there were 150 managerial, professional and skilled staff appointed in Hong Kong, Mainland China and Singapore.

¹ The GFA of each centre as stated in the Prospectus was 20,000 sq ft, and was the best estimate from information available by then. The actual GFA for ONE-Beijing iAdvantage and ONE-Shanghai iAdvantage are approximately 12,000 sq ft and 14,300 sq ft respectively.

² Priority was given to the Singapore Internet services centre in the light of an established greater need, with a resultant retiming of the Guangzhou centre.

Marketing activities including trip to the United States of America.

Super-office

Conduct a pilot programme to test out a set of software at Hong Kong's World Trade Centre, APEC Plaza and Landmark North.

Recruit additional software partners.

Recruit additional staff.

SuperHome

Launch services at East Point City.

Expand and improve contents.

Aim to reach 30,000 apartments.

SuperStreets

Continuing progress of PropertyStreet.

Participated in Hong Kong Information Infrastructure Exposition and Conference 2000 in March 2000; stand attracted more than 3,000 quality visitors. Senior executives made regular marketing visits to the United States of America to explore business opportunities.

Super-office

Pilot programme was successfully completed at all three named locations.

Signed agreement with J D Edwards, a leading US provider of ERP/MRP¹ solutions, for flexible and modular-based packages for accounting and finance, sales and distribution and manufacturing management.

Signed co-development agreement in May 2000 with LG Korea to develop web-based third generation remote surveillance applications for the business sector.

Became an executive member of the ASP Industry Consortium, a worldwide network of more than 200 market players, to assist in bringing best practice to Super-office's service development.

Successfully built a fully functioning organisation including 60 highly qualified professional managers with proven track records in application services solution, business broadband, multimedia applications, e-commerce and industry-based solutions.

SuperHome

Service fully launched at East Point City in April, then extended throughout Tseung Kwan O.

New and improved content includes health, news, finance, insurance, property, entertainment, child care, games and e-commerce.

Exceeded 30,000 registered users.

SuperStreets

PropertyStreet, launched in February 2000, became

¹ ERP is Enterprise Resource Planning; MRP is Material Requirement Planning.

one of Hong Kong's most visited property portals, and has attracted more than 80,000 registered users by the end of the Review Period.

Roll out InsuranceStreet.

One-stop portal InsuranceStreet was launched in March 2000 with the number of participating leading insurers increased from 14 to 24 during the Review Period.

Launch BankingStreet.

One-stop portal BankingStreet was launched in April 2000 with 20 international bankers participating.

Super e-Technology

Continuing development of security surveillance business; three projects to be completed.

Super e-Technology

Five security projects completed during the Review Period, exceeding the target by two projects. In addition, three further such projects were secured.

Another 2,800 households to be SMATV connected.

4,200 households SMATV connected during the Review Period, exceeding the target by 1,400 households.

Broadband enablement of existing SMATV networks.

20,000 households broadband enabled.

Co-operation with licensed local wireless FTNS operators.

Agreement reached with a licensed LMDS¹ operator to use its SMATV network to provide broadband Internet services.

Super e-Network

To seek contracts for design, maintenance and installation of fibre optic broadband networks in residential and commercial buildings.

Super e-Network

Installation of the broadband network at Royal Peninsula, a residential development in Hung Hom, is in progress. Further proposals for design, maintenance and installation of fibre optic broadband networks have been submitted to developers of residential and commercial buildings

Red-Dots

Identify suitable partners, market and develop Red-Dots brand and business-to-business trading.

Red-Dots

New agreements have been signed with additional merchants.

Participate at the International Computer Exhibition in Hong Kong in May 2000.

Three additional service centres at New Town Plaza, Grand Century Plaza and Sun Arcade have been opened to further strengthen service quality.

To increase brand awareness, Red-Dots took part in the Hong Kong 16th International Computer

¹ LMDS (local multipoint distribution system) is a kind of wireless FTNS (fixed telecommunications network services).

Exhibition in May 2000, an event for corporate decision makers, IT professionals and Internet users.

Increase staff level.

Staff doubled to 30.

The Red-Dots Web site has achieved the No. 1 auction site ranking in Hong Kong as measured by items listed daily and average value of items.

By Order of the Board

Kwok Ping Luen, Raymond
Chairman & Chief Executive Officer