
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in SUNEVISION Holdings Ltd. (the “Company”), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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sunEvision

SUNEVISION HOLDINGS LTD.

新意網集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8008)

PROPOSALS FOR ADOPTION OF THE NEW SHARE OPTION SCHEME, TERMINATION OF THE EXISTING SHARE OPTION SCHEME AND AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A letter from the board of directors of the Company is set out on pages 6 to 14 of this circular.

A notice dated 7 October 2011 convening an extraordinary general meeting of the Company to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Tuesday, 1 November 2011 at 12:30 p.m. (or so soon thereafter as the annual general meeting of the Company to be convened on the same day and at the same place shall have been concluded or adjourned) (the “EGM”) is set out on pages 32 to 36 of this circular. Whether or not you propose to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the accompanying form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

This circular will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of publication and on the website of the Company at www.sunevision.com.

Hong Kong, 7 October 2011

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Choice of language or means of receipt of corporate communications

This circular is now available in printed form in English and in Chinese, and on the website of the Company.

If (i) registered shareholders/noteholders who have received or chosen to receive a printed copy of this circular wish to receive the same in the other language to that chosen by the registered shareholders/noteholders; or (ii) registered shareholders/noteholders who have received or chosen to receive this circular by electronic means wish to receive a printed copy, or who for any reason have difficulty in receiving or gaining access to this circular on the Company's website, they may obtain the same free of charge by sending a request to (a) in the case of registered shareholders, the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited by post to 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or by email at sunevision@computershare.com.hk; or (b) in the case of noteholders, the Company's registrar in respect of the convertible notes, Tricor Investor Services Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong or by email at sunevision-ecom@hk.tricorglobal.com.

For registered shareholders/noteholders who wish to change their choice of language or means of receipt of the Company's future corporate communications free of charge, they could at any time notify (i) in the case of registered shareholders, the Company's Hong Kong branch share registrar and transfer office by post or by email (at the address or email address mentioned above); or (ii) in the case of noteholders, the Company's registrar in respect of the convertible notes by post or by email (at the address or email address mentioned above).

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“affiliated company”	a company which, in accordance with the financial reporting standards and interpretations issued by the Hong Kong Institute of Certified Public Accountants, is recorded using the equity method of accounting in an entity’s financial statements. This includes associated companies and jointly controlled entities as defined in those standards
“Articles of Association”	the articles of association of the Company
“associate”	as such term is defined under the Main Board Listing Rules
“Auditors”	the auditors for the time being of the Company
“Board”	the board of directors of the Company or a duly authorised committee thereof for the time being
“Business Day”	a day (other than a Saturday or a Sunday) on which licensed banks are open for business in Hong Kong and the Stock Exchange is open for business of dealing in securities
“chief executive”	as such term is defined under the Main Board Listing Rules
“Company”	SUNeVision Holdings Ltd., a company incorporated in the Cayman Islands with limited liability, the Shares of which are currently listed on GEM and will be listed on the Main Board upon completion of the Transfer of Listing
“connected person”	as such term is defined under the Main Board Listing Rules

DEFINITIONS

“Convertible Note(s)”	means the convertible note(s) denominated in HK\$0.10 each, in registered form, issued by the Company and constituted by a Deed Poll dated 25 November 2010 and for the time being outstanding
“Director(s)”	the director(s) of the Company
“Effective Date”	the day on which the New Share Option Scheme takes effect, being the day on which all the conditions to the New Share Option Scheme have been fulfilled
“EGM”	an extraordinary general meeting of the Company to be convened and held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Tuesday, 1 November 2011 at 12:30 p.m. (or so soon thereafter as the annual general meeting of the Company to be convened on the same day and at the same place shall have been concluded or adjourned) or any adjourned meeting thereof
“Existing Share Option Scheme”	the share option scheme adopted by the Company at its general meeting on 3 December 2002
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM (as may be amended, supplemented or modified from time to time)
“Grantee”	any Participant who accepts an Offer in accordance with the terms of the New Share Option Scheme or (where the context so permits) the personal representative(s) entitled to any such Option in consequence of the death of the original Grantee
“Group”	the Company, its subsidiaries and its affiliated companies from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	30 September 2011, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Main Board”	the main board of the Stock Exchange
“Main Board Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as may be amended, supplemented or modified from time to time)
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company
“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company at the EGM
“Noteholder”	a person whose name is registered in the register of holders of the Convertible Note(s)
“Offer”	the offer of the grant of an Option to be made by the Board in accordance with the New Share Option Scheme
“Offer Date”	the date on which an Offer is made to a Participant
“Option”	a right granted to the Participant to subscribe for Shares pursuant to the terms of the New Share Option Scheme
“Option Period”	a period to be determined by the Board at its absolute discretion and notified by the Board to each Grantee as being the period during which an Option may be exercised and in any event, such period shall not be longer than 10 years from the date upon which any particular Option is granted in accordance with the New Share Option Scheme

DEFINITIONS

“Participant”	(i) any executive or non-executive directors (or any persons proposed to be appointed as such) or any employees (whether full-time or part-time) of each member of the Group; (ii) any consultants, professional and other advisers to each member of the Group (or persons, firms or companies proposed to be appointed for providing such services); (iii) any chief executives or substantial shareholders of the Company; (iv) any associates of a director, chief executive or substantial shareholder of the Company; and (v) any employees of the substantial shareholder of the Company, provided that the Board shall have absolute discretion to determine whether or not one falls within the above categories
“relevant company”	any member of the Group
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Shareholder(s)”	the holder(s) of the Shares
“SHKP”	Sun Hung Kai Properties Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board, and the holding company of the Company (Stock Code: 16)
“SHKP Meeting”	the annual general meeting of SHKP to be held to approve, among others, the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to the New Share Option Scheme

DEFINITIONS

“substantial shareholder”	as such term is defined under the Main Board Listing Rules
“Transfer of Listing”	the proposed transfer of listing of the Shares from GEM to the Main Board
“%”	per cent.



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SUNEVISION HOLDINGS LTD.

新意網集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8008)

Executive Directors:

Kwok Ping-luen, Raymond (*Chairman*)
Tsim Wing-kit, Alfred (*Chief Executive Officer*)
Tung Chi-ho, Eric
Wong Chin-wah
So Wai-kei, Godwin

Non-Executive Directors:

Kwok Ping-sheung, Walter
Kwok Ping-kwong, Thomas
Cheung Wing-yui
Chan Kui-yuen, Thomas
So Chung-keung, Alfred
Siu Hon-wah, Thomas

Independent Non-Executive Directors:

Li On-kwok, Victor
King Yeo-chi, Ambrose
Wong Kai-man

Registered Office:

P.O. Box 309, Uglund House
Grand Cayman, KY1-1104
Cayman Islands

***Head Office and Principal Place
of Business:***

MEGATOP, MEGA-iAdvantage
399 Chai Wan Road
Chai Wan
Hong Kong

7 October 2011

To the Shareholders and, for information only, the Noteholders

Dear Sir/Madam,

**PROPOSALS FOR
ADOPTION OF THE NEW SHARE OPTION SCHEME,
TERMINATION OF THE EXISTING SHARE OPTION SCHEME AND
AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF
ASSOCIATION AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

Reference is made to the announcement of the Company dated 9 September 2011 relating to the application made by the Company to the Stock Exchange for the

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Transfer of Listing. In contemplation of the proposed listing of the Shares on the Main Board, the Directors propose to adopt the New Share Option Scheme, terminate the Existing Share Option Scheme and amend the Articles of Association in compliance with the Main Board Listing Rules which will only take effect after completion of the Transfer of Listing subject to fulfillment of certain conditions. In addition, the Directors propose to make certain amendments in relation to the nomination period of Directors and housekeeping amendments to the Memorandum and Articles of Association. The purpose of this circular is (i) to provide you with information regarding the proposed adoption of the New Share Option Scheme and the proposed termination of the Existing Share Option Scheme; (ii) to provide you with information regarding the proposed amendments to the Memorandum and Articles of Association; and (iii) to set out the notice of the EGM.

2. PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME AND TERMINATION OF THE EXISTING SHARE OPTION SCHEME

A. The Existing Share Option Scheme and the New Share Option Scheme

The Existing Share Option Scheme was adopted by resolution of the Shareholders of the Company on 3 December 2002 for the purpose of, among others, providing the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the participants of the Existing Share Option Scheme and for such other purposes as the Board may approve from time to time. In contemplation of the Transfer of Listing and the listing of the Shares on the Main Board, the Company proposes to adopt the New Share Option Scheme and terminate the Existing Share Option Scheme which will only take effect after completion of the Transfer of Listing subject to fulfillment of certain conditions. An ordinary resolution will be proposed at the EGM to approve the adoption of the New Share Option Scheme in compliance with the Main Board Listing Rules and the termination of the Existing Share Option Scheme subject to fulfillment of certain conditions. As at the Latest Practicable Date, to the best knowledge of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the proposed adoption of the New Share Option Scheme and the proposed termination of the Existing Share Option Scheme. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto.

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It is proposed that the New Share Option Scheme will become effective after all the conditions precedent as referred to under the paragraph headed “Conditions of the New Share Option Scheme” have been fulfilled and the Existing Share Option Scheme will be terminated upon the New Share Option Scheme taking effect. A summary of the principal terms of the rules of the New Share Option Scheme is set out in Appendix I to this circular.

The Subscription Price of the Options to be granted under the New Share Option Scheme shall be a price solely determined by the Board subject to such minimum amount as set out in the rules of the New Share Option Scheme. Unless otherwise determined by the Board, there is neither any performance target under the New Share Option Scheme which must be achieved by the Grantee before an Option can be exercised nor any minimum period for which an Option must be held before the Option can be exercised. Although the New Share Option Scheme is not subject to any performance target and does not prescribe any minimum period for which an Option must be held before it can be exercised, the Directors believe that the requirements and conditions of the New Share Option Scheme (as summarised in Appendix I), including the requirement for a minimum subscription price, the selection criteria prescribed by the scheme rules, and the necessary conditions that may be imposed by the Board as it thinks fit when it offers to grant any Option to any Participant, will serve to protect the value of the Shares as well as to achieve the purpose of the New Share Option Scheme. The Company does not at present intend to appoint a trustee to the New Share Option Scheme.

The Board had granted options pursuant to the Existing Share Option Scheme to the participants to subscribe for a total of 6,680,000 Shares representing approximately 0.29% of the issued share capital of the Company as at the Latest Practicable Date. As at the Latest Practicable Date, there were no outstanding options under the Existing Share Option Scheme. Except the Existing Share Option Scheme, there was no other subsisting share option scheme of the Company as at the Latest Practicable Date. The Board confirms that prior to the EGM, it will not grant any further options under the Existing Share Option Scheme.

Upon termination of the Existing Share Option Scheme, no further options may be granted under the Existing Share Option Scheme.

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As at the Latest Practicable Date, the number of Shares in issue was 2,329,208,031 Shares (including 2,478,000 Shares which have been repurchased but not yet cancelled by the Company). Assuming that (apart from the cancellation of 2,478,000 Shares which have been repurchased but not yet cancelled by the Company) there is no change in the number of issued Shares between the period from the Latest Practicable Date and the date of approval of the New Share Option Scheme by the Shareholders (including without limitation that there is no new Share being issued by the Company between the period from the Latest Practicable Date and the date of approval of the New Share Option Scheme by the Shareholders as a result of any Noteholder's exercise of the conversion rights attaching to the Convertible Notes), the number of Shares issuable pursuant to the New Share Option Scheme and any other share option schemes of the Company on the date of approval of the New Share Option Scheme will initially be 232,673,003 Shares, being 10% of the total number of Shares in issue on the date of approval of the New Share Option Scheme by the Shareholders, unless the Company obtains a fresh approval from its Shareholders to renew the 10% limit on the basis that the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the issued Shares from time to time.

B. Conditions of the New Share Option Scheme

The New Share Option Scheme shall take effect upon the fulfillment of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders in the EGM:
 - (i) approving the adoption of the New Share Option Scheme and authorising the Directors to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under the New Share Option Scheme; and
 - (ii) approving the termination of the Existing Share Option Scheme;
- (b) the passing of an ordinary resolution by the shareholders of SHKP in SHKP Meeting approving the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme;

LETTER FROM THE BOARD

- (c) the Main Board Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options under the New Share Option Scheme; and
- (d) the Shares being listed on the Main Board and being de-listed from GEM and the commencement of dealings in the Shares on the Main Board.

Application has been made to the Stock Exchange for the approval of the listing of, and permission to deal, in the Shares to be issued pursuant to the exercise of Options to be granted under the New Share Option Scheme on the Main Board.

C. Principal Terms of the New Share Option Scheme

A summary of the principal terms of the New Share Option Scheme is set out in Appendix I to this circular. This serves as a summary of the terms of the New Share Option Scheme but does not constitute the full terms of the same. The full terms of the New Share Option Scheme can be inspected at the principal place of business of the Company in Hong Kong at MEGATOP, MEGA-iAdvantage, 399 Chai Wan Road, Chai Wan, Hong Kong during the business hours (i.e. Monday to Friday, 9:00 a.m. to 5:00 p.m., Hong Kong time) from the date of this circular up to and including the date of the EGM and at the EGM.

D. Value of the Options

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted at the Latest Practicable Date, given that the variables which are crucial for the calculation of the value of such Options cannot be determined. The variables which are crucial for the determination of the value of such Options include the Subscription Price for the Shares to be issued upon the exercise of the Options, the timing of the grant of such Options and whether or not such Options, if granted, will be exercised by the Grantees. Thus, the Directors are of the view that the value of the Options that can be granted pursuant to the New Share Option Scheme depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical bases and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the Options will not be meaningful and may be misleading to the Shareholders in the circumstances.

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3. PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

- (a) In view of the fact that an application for the Transfer of Listing has been submitted by the Company to the Stock Exchange, the Company proposes to replace all the references to GEM and the GEM Listing Rules with the Main Board and the Main Board Listing Rules respectively in the Articles of Association. These amendments will take effect on the date of approval by the Shareholders at the EGM or upon the Shares being listed on the Main Board and being de-listed from the GEM and that dealings in the Shares on the Main Board has commenced, whichever is the later.
- (b) In addition, Article 97 of the Articles of Association currently sets out the period in which notices for the nomination of Directors for election at a general meeting may be given by a Shareholder to the Company, which shall be at least 7 days commencing no earlier than the day after the dispatch of the notice of such meeting and ending no later than 7 days prior to the date of such meeting. In accordance with Rule 17.46B of the GEM Listing Rules and Rule 13.70 of the Main Board Listing Rules (where applicable), upon receipt of such notice, the Company shall publish an announcement or issue a supplementary circular to provide further details in relation to such candidates at least 10 business days before the date of the relevant general meeting for the Shareholders to consider the subject matter. Therefore, there is a possibility that under the existing position, if the notice for the nomination of Directors is lodged with the Company on or shortly before the deadline of 7 days prior to the date of the relevant general meeting, such meeting would have to be adjourned in order to ensure that Shareholders have at least 10 business days to consider the nomination.

To avoid the need for an adjournment of meetings, the Company proposes to revise Article 97 so that the period during which Shareholder's notices for the nomination of Directors may be given is a fixed period of 7 days commencing on the day after the dispatch of the notice of the meeting. Taking into account the need to provide (a) at least 21 days' notice of an annual general meeting in compliance with the Articles of Association; and (b) at least 20 clear Business Days' notice of an annual general meeting in compliance with the Code on Corporate Governance Practices of the GEM Listing Rules and the Main Board Listing Rules (where applicable), even assuming that the Company receives a notice for the nomination of Directors from the Shareholders on the last day of the 7-day nomination period, the need for an adjournment of the meeting

LETTER FROM THE BOARD

can be avoided under the proposed amendments to the Articles of Association. In the case of an extraordinary general meeting of the Company involving the election of Directors, the Company will give to the Shareholders sufficient notice of the meeting in order that Shareholders who would like to nominate candidates for election as Directors will have enough time to do so and that adjournment of the meeting can be avoided. The Board has the discretion to determine a different period, but any such period will be a period of not less than 7 days, commencing no earlier than the day after the dispatch of the notice of the meeting and ending no later than 7 days prior to the date for such meeting, as required under the relevant listing rules.

- (c) Some other housekeeping amendments are also proposed including, among others, some updates to the Memorandum and Articles of Association following the coming into effect of the Companies Law (2010 Revision) of the Cayman Islands. The Cayman Islands Companies Law has recently been updated and there has been a change in numbering of the provisions under the Companies Law (2010 Revision). The proposed amendments to paragraph 7 of the memorandum of association of the Company are to update the reference to the relevant provision under the Companies Law (2010 Revision). Section 174 of the Companies Law (2010 Revision) states that an exempted company shall not trade in the Cayman Islands except in furtherance of the business of the exempted company outside the Cayman Islands.

The above proposed amendments are subject to the approval of the Shareholders by way of a special resolution at the EGM. Full text of these proposed amendments is set out in resolution number 2 of the notice of EGM.

4. EGM

The EGM is to be held for the purpose of considering and approving by the Shareholders of the adoption of the New Share Option Scheme, the termination of the Existing Share Option Scheme and the amendments to the Memorandum and Articles of Association. In accordance with the GEM Listing Rules, the votes at the EGM shall be taken by poll.

Set out on pages 32 to 36 of this circular is the notice convening the EGM to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong, on Tuesday, 1 November 2011 at 12:30 p.m. (or so soon thereafter as the annual general meeting of the Company to be convened on the same day and at the same place shall have been concluded or adjourned) at which resolutions will be proposed to approve the

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adoption of the New Share Option Scheme, the termination of the Existing Share Option Scheme and the amendments to the Memorandum and Articles of Association, details of which are set out in the notice of the EGM.

5. ACTION TO BE TAKEN

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of a form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting (as the case may be) should you so wish.

6. VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The Chairman of the EGM will therefore put the resolutions to be proposed at the EGM to be voted by way of a poll pursuant to Article 76 of the Articles of Association.

Pursuant to Article 81(a) of the Articles of Association, on a poll every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy, shall have one vote for each Share registered in his name in the Register of Members. On a poll, a Shareholder entitled to more than one vote is under no obligation to cast all his votes in the same way.

An announcement on the poll results will be made by the Company after the EGM.

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules or the Main Board Listing Rules (to the extent applicable in respect of the requirements of the New Share Option Scheme) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in

LETTER FROM THE BOARD

this circular 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 circular misleading.

8. **COMPETING INTERESTS**

Professor Li On-kwok, Victor, an independent non-executive Director of the Company, is a well recognised 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 relevant 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 controlling Shareholders or their respective associates (as defined in the GEM Listing Rules) has any interest in any business which competes or may compete with the business of the Group.

9. **RECOMMENDATION**

The Directors (including the independent non-executive Directors) are of the opinion that the adoption of the New Share Option Scheme, the termination of the Existing Share Option Scheme and the proposed amendments to the Memorandum and Articles of Association are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions to be proposed at the EGM.

Yours faithfully,
For and on behalf of the Board
SUNEVISION HOLDINGS LTD.
Kwok Ping-luen, Raymond
Chairman

The following is a summary of the principal terms of the New Share Option Scheme to be approved at the EGM. It does not form part of, nor is it intended to be part of, the rules of the New Share Option Scheme and it should not be taken as affecting the interpretation of the rules of the New Share Option Scheme. The Directors reserve the right at any time prior to the EGM to make such amendments to the New Share Option Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary as contained in this appendix.

1. PURPOSE OF THE NEW SHARE SCHEME

The purpose of the New Share Option Scheme is to attract, retain and motivate talented Participants to strive for future developments and expansion of the Group and to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the Participants and for such other purposes as the Board may approve from time to time.

2. BASIS OF ELIGIBILITY OF THE PARTICIPANTS

In determining the basis of eligibility of each Participant, the Board would mainly take into account the experience of the Participant on the Group's business, the length of service of the Participant with the Group or the length of business relationship the Participant has established with the Group, the amount of contribution the Participant has made or is likely to make towards the success of the Group and such other factors as the Board may at its discretion consider appropriate.

3. CONDITIONS

The New Share Option Scheme shall take effect upon fulfillment of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders in general meeting:
 - (i) approving the adoption of the New Share Option Scheme and authorising the Directors to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under the New Share Option Scheme; and
 - (ii) approving the termination of the Existing Share Option Scheme;

- (b) the passing of an ordinary resolution by the shareholders of SHKP in SHKP Meeting approving the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme;
- (c) the Main Board Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options under the New Share Option Scheme; and
- (d) the Shares being listed on the Main Board and being de-listed from GEM and the commencement of dealings in the Shares on the Main Board.

4. DURATION AND ADMINISTRATION

- 4.1 Subject to paragraph 16, the New Share Option Scheme shall be valid and effective for a period of 10 years commencing on the Effective Date, after which period no further Options will be issued but in all other respects, subject to the compliance with the provisions under the Main Board Listing Rules, the provisions of the New Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme, and Options which are granted during the life of the New Share Option Scheme may continue to be exercisable in accordance with their terms of issue.
- 4.2 The New Share Option Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided herein) shall be final and binding on all parties.
- 4.3 Subject to compliance with the requirements of the Main Board Listing Rules and the provisions of the New Share Option Scheme, the Board shall have the right to, among others, make decisions, determinations or regulations as it shall deem appropriate in the administration of the New Share Option Scheme.

5. GRANT OF OPTIONS

- 5.1 On and subject to the requirements of the Main Board Listing Rules and the terms of the New Share Option Scheme, the Board shall be entitled at any time within 10 years as on and from the Effective Date to make an Offer to any Participants as the Board may in its absolute discretion select, and subject to any such conditions as the Board may at its absolute discretion think fit, to subscribe for such number of Shares as the Board may (subject to paragraphs 9 and 10) determine at the Subscription Price.
- 5.2 A grant of Options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been announced in accordance with the requirements of the Main Board Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the Board meeting (as such date is first notified by the Company to the Stock Exchange in accordance with the Main Board Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Main Board Listing Rules); and (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Main Board Listing Rules, or quarterly or any other interim period (whether or not required under the Main Board Listing Rules), and ending on the date of the results announcement, no Option may be granted.
- 5.3 An Offer shall be made to a Participant by letter in such form as the Board may from time to time determine (the "**Offer Letter**") requiring the Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the New Share Option Scheme and shall remain open for acceptance by the Participant concerned for a period of 28 days from the Offer Date, provided that no such Offer shall be open for acceptance as on and after the 10th anniversary of the Effective Date or as on and after the date when the New Share Option Scheme has been terminated in accordance with the provisions thereof, whichever is the earlier.

5.4 An Offer shall be deemed to have been accepted by the Grantee and the Option to which the Offer relates shall be deemed to have been granted and to have taken effect on the Offer Date when the duplicate of the Offer Letter comprising acceptance of the Offer duly signed by the Grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the granting thereof is received by the Company within the period referred to in paragraph 5.3. Such remittance shall in no circumstances be refundable or be considered as part of the Subscription Price.

5.5 Subject to the provisions of the New Share Option Scheme and the Main Board Listing Rules, the Board may when making the Offer impose any conditions, restrictions or limitations in relation to the Option as it may at its absolute discretion think fit.

6. SUBSCRIPTION PRICE

Subject to any adjustments made pursuant to paragraph 11, the Subscription Price in respect of each Share issued pursuant to the exercise of Options granted thereunder shall be a price solely determined by the Board and notified to a Participant and shall be at least the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day;
- (b) a price being the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 Business Days immediately preceding the Offer Date; and
- (c) the nominal value of a Share.

7. EXERCISE OF OPTIONS

7.1 An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Option. Where the Grantee is a company, any change of its controlling shareholder or any substantial change in its management (which is to be determined by the Board at its absolute discretion) will be deemed to be a sale or transfer of interest aforesaid. Any breach of the foregoing by a Grantee shall entitle the

Company to cancel any outstanding Options or part thereof of such Grantee in accordance with sub-paragraph 8(f) without incurring any liability on the part of the Company.

- 7.2 Unless otherwise determined by the Board and specified in the Offer Letter (as defined in sub-paragraph 5.3) at the time of the Offer, there is neither any performance target that needs to be achieved by the Grantee before an Option can be exercised nor any minimum period for which an Option must be held before the Option can be exercised. An Option may be exercised in whole or in part in the manner as set out in the Offer Letter and sub-paragraph 7.3 by the original Grantee (or the personal representative(s) of the deceased Grantee) (i) giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given. Within 28 days after receipt of the notice and the remittance and where appropriate, receipt of the certificate from the independent financial adviser or the Auditors (as the case may be) pursuant to paragraph 11, the Company shall allot the relevant number of Shares to the original Grantee (or the personal representative(s) of the deceased Grantee) credited as fully paid and issue to the original Grantee (or the personal representative(s) of the deceased Grantee) a share certificate in respect of the Shares so allotted; or (ii) following such other procedures adopted by the Board and notified to the Grantee from time to time.
- 7.3 Subject to as hereinafter provided and subject to the terms and conditions upon which such Option was granted, the Option may be exercised by the Grantee at any time during the business hours of the Company (i.e. Monday to Friday, 9:00 a.m. to 5:00 p.m., Hong Kong time) on a Business Day within the Option Period provided that:
- (a) in the event of the Grantee ceases to be a Participant for any reason other than on the Grantee's death or the termination of the Grantee's employment, directorship, office or appointment on one or more of the grounds specified in sub-paragraph 8(d), the Grantee may exercise the Option up to his entitlement at the date of cessation (to the extent he is entitled to exercise at the date of cessation but not already exercised),

within the period of 3 months (or such longer period as the Board may determine) following the date of such cessation, which date shall be the last actual working day with the relevant company whether salary is paid in lieu of notice or not, or the last date of office or appointment as director of, or as consultant, professional or other advisers to, the relevant company, as the case may be, in the event of which, the date of cessation as determined by a resolution of the board of directors or governing body of the relevant company shall be conclusive;

- (b) in the event the Grantee dies before exercising the Option in full and none of the events which would be a ground for termination of the Grantee's employment, directorship, office or appointment under sub-paragraph 8(d) arises, the personal representative(s) of the deceased Grantee shall be entitled, within a period of 12 months or such longer period as the Board may determine from the date of the death, to exercise the Option up to the entitlement of such Grantee at the date of death (to the extent which has become exercisable and not already exercised) or, if appropriate, make an election pursuant to sub-paragraph 7.3(c), (d) or (e);
- (c) if a general offer (including any take-over) is made to all the holders of Shares (other than by way of scheme of arrangement pursuant to sub-paragraph 7.3(d)) (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) with the terms of the offer having been approved by the holders of not less than nine-tenths in value of the Shares comprised in the offer within 4 months from the date of the offer and the offeror thereafter gives a notice to acquire the remaining Shares, the original Grantee (or the personal representative(s) of the deceased Grantee) may by notice in writing to the Company within 21 days of such notice exercise the option (to the extent he is entitled to exercise at the date of the notice of the offeror but not already exercised) to its full extent or to the extent specified in such notice;
- (d) if a general offer by way of a scheme of arrangement is made to all the holders of Shares and has been approved by the necessary number of holders of Shares at the requisite meetings, the Company shall give notice thereof to the Grantee. The Grantee (or the personal

representative(s) of the deceased Grantee) may, by notice in writing to the Company within such time as shall be specified in the notice, exercise the Option (to the extent which has become exercisable and not already exercised) to its full extent or to the extent specified in such notice;

- (e) if a compromise or arrangement between the Company and its shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies (other than a general offer contemplated in sub-paragraphs 7.3(c) and (d)), the Company shall give notice thereof to the Grantee on the same date as it dispatches the notice which is sent to each shareholder or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the original Grantee (or the personal representative(s) of the deceased Grantee) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of 2 months thereafter and the date on which such compromise or arrangement is sanctioned by the court, exercise any of his Options (to the extent which has become exercisable and not already been exercised) whether in full or in part, but the exercise of an Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective. Upon such compromise or arrangement becoming effective, all Options shall lapse except insofar as previously exercised under the New Share Option Scheme. The Company may require the original Grantee (or the personal representative(s) of the deceased Grantee) to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement; and
- (f) in the event a notice is given by the Company to its shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it dispatches such notice to convene the general meeting, give notice thereof to all Grantees. Each original Grantee (or the personal representative(s) of the deceased Grantee) may by notice in writing to

the Company (such notice to be received by the Company no later than 2 Business Days prior to the proposed general meeting) exercise the Option (to the extent which has become exercisable and not already exercised) either to its full extent or to the extent specified in such notice, such notice to be accompanied by a payment for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

- 7.4 The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Memorandum and Articles of Association for the time being in force and will rank *pari passu* in all respects with fully paid Shares in issue on the date of their allotment and issue, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment and issue other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment and issue, provided always that when the date of exercise of the Option falls on a date upon which the register of shareholders of the Company is closed, then the exercise of the Option shall become effective on the first Business Day in Hong Kong on which the register of shareholders of the Company is re-opened. A Grantee shall not be entitled to vote in any general meeting of the Company in respect of any of those outstanding Options yet to be exercised held by him unless he has exercised his Option(s) in accordance with the provisions of the New Share Option Scheme. Once a Grantee has exercised his Option(s) in accordance with the provisions of the New Share Option Scheme, he shall be entitled to vote in respect of those fully paid Shares allotted to him upon the exercise of his Option(s) in accordance with the Memorandum and Articles of Association for the time being in force.

8. LAPSE OF OPTION

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the expiry of the Option Period (subject to the provisions of paragraphs 4.1 and 16);
- (b) the expiry of the periods referred to in sub-paragraph 7.3(a), (b) or (c);
- (c) subject to the scheme of arrangement or compromise becoming effective, the expiry of the period referred to in sub-paragraph 7.3(d) or (e);
- (d)
 - (i) in cases where the Grantee is an associate of a director or chief executive of the Company, the date on which such director or chief executive ceases to be a director or a chief executive of the Company (as the case may be) by reason of the termination of his directorship or employment on the grounds that he has been guilty of misconduct, or has been in breach of any material term of the relevant employment contract, service contract or engagement contract (as the case may be), or appears either to be unable to pay or have no reasonable prospect to be able to pay debts, or has become bankrupt, or has been served a petition for bankruptcy, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any other ground on which the Company would be entitled to terminate his employment, directorship or appointment at common law or pursuant to any applicable laws or under the relevant employment contract, service contract or engagement contract (as the case may be), in the event of which a resolution of the Board to the effect that the directorship or employment of such a director or chief executive has or has not been terminated on one or more of the grounds specified in this sub-paragraph 8(d) shall be conclusive;
 - (ii) in case where the Grantee is an associate of a substantial shareholder of the Company, the date on which such substantial shareholder ceases to be a substantial shareholder of the Company; and

- (iii) in such other cases, the date on which the Grantee ceases to be an employee, a director, a consultant, a professional or other adviser or a chief executive of the relevant company or of the substantial shareholder of the Company (as the case may be) by reason of the termination of his employment, directorship, office or appointment on the grounds that he has been guilty of misconduct, or has been in breach of any material term of the relevant employment contract, service contract or engagement contract (as the case may be), or appears either to be unable to pay or have no reasonable prospect to be able to pay debts, or has become bankrupt or insolvent, or has been served a petition for bankruptcy or winding-up, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board or the board of the relevant company, as the case may be) on any other ground on which an employer, a sourcing party or an engaging party would be entitled to terminate his employment, directorship, office or appointment at common law or pursuant to any applicable laws or under the relevant employment contract, service contract or engagement contract (as the case may be) with the relevant company (as the case may be), in the event of which a resolution of the board of directors or governing body of the relevant company or substantial shareholder of the Company (as the case may be) to the effect that the employment, directorship, office or appointment of a Grantee has or has not been terminated on one or more of the grounds specified in this sub-paragraph 8(d) shall be conclusive;
- (e) the close of the 2 Business Days prior to the general meeting of the Company held for the purpose of approving the voluntary winding-up of the Company as referred to in sub-paragraph 7.3(f) or the date of the commencement of the winding-up of the Company;
- (f) the date on which the Board exercises the Company's right to cancel the Option at any time after a Grantee commits a breach of sub-paragraph 7.1; or
- (g) the date on which an Option is cancelled by the Board as provided in paragraph 15.

The Company shall owe no liability to any Grantee for the lapse of any Option under this paragraph 8.

9. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

9.1 Subject to sub-paragraph 9.2:

- (a) The total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of Shares in issue as at the date of approval of the New Share Option Scheme by the Shareholders, unless the Company obtains an approval from the Shareholders pursuant to sub-paragraphs 9.1(b) or 9.1(c). Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating such 10% limit.
- (b) The Company may seek approval of the Shareholders in general meeting for refreshing the 10% limit set out in sub-paragraph 9.1(a) under the New Share Option Scheme such that the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company under the limit as refreshed shall not exceed 10% of the total number of Shares in issue as at the date of approval to refresh such limit. Options previously granted under the New Share Option Scheme and any other share option schemes (including those outstanding, cancelled, lapsed in accordance with the New Share Option Scheme and any other share option schemes or exercised options) will not be counted for the purpose of calculating such limit as refreshed. In such a case, the Company shall send to the Shareholders a circular containing the information required under the Main Board Listing Rules.
- (c) The Company may seek separate approval of the Shareholders in general meeting for granting Options beyond the 10% limit provided the Options in excess of such limit are granted only to Participants specifically identified by the Company before such approval is sought. In such a case, the Company shall send to the Shareholders a circular containing a generic description of the specified Participant(s) who may be granted such Options, the number of Shares subject to the Options to be granted, the terms of the Options to be granted, the purpose of granting Options to the specified Participant(s) with an explanation as to how the terms of the Options serve such purpose and all such information as required under the Main Board Listing Rules.

9.2 Notwithstanding any other provisions in the New Share Option Scheme and subject to paragraph 11, the limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the total number of Shares in issue from time to time (or such higher percentage as may be allowed under the Main Board Listing Rules). No options may be granted under the New Share Option Scheme and any other share option schemes of the Company if this will result in such limit being exceeded.

10. MAXIMUM ENTITLEMENT OF SHARES OF EACH PARTICIPANT

10.1 (a) Subject to sub-paragraphs 10.1(b), (c) and (d), the total number of Shares issued and to be issued upon exercise of the options granted to each Participant pursuant to the New Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of Shares in issue.

(b) Notwithstanding sub-paragraph 10.1(a), where any further grant of Options to a Participant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such Participant under the New Share Option Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such Participant and his associates abstaining from voting. The number of Shares subject to the Options to be granted and the terms of the Options to be granted to such Participant shall be fixed before shareholders' approval and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price. In such a case, the Company shall send to the Shareholders a circular containing, among others, the identity of such Participant, the number and terms of the Options to be granted (and options previously granted to such Participant) and such other information as may be required under the Main Board Listing Rules.

- (c) In addition to paragraphs 9, 10.1(a) and 10.1(b), any grant of Options to a Participant who is a director, chief executive or substantial shareholder of the Company or their respective associates must be approved by the independent non-executive directors of the Company (excluding independent non-executive director who is the Grantee).
- (d) In addition to paragraphs 9, 10.1(a) and 10.1(b), where the Board proposes to grant any Option to a Participant who is a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, which would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted under the New Share Option Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) to him in the 12-month period up to and including the date of such grant:
- (i) representing in aggregate over 0.1% of the total number of Shares in issue; and
 - (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5,000,000,

such proposed grant of Options must be approved by the Shareholders in general meeting. In such a case, the Company shall send to the Shareholders a circular containing all such information as may be required under the Main Board Listing Rules. All connected persons of the Company must abstain from voting in favour at such general meeting.

10.2 Subject to sub-paragraphs 9.1, 9.2 and 10.1, in the event of any alteration in the capital structure of the Company whether by way of capitalisation issue, rights issue, consolidation or subdivision of Shares, reduction of the share capital of the Company or otherwise howsoever (other than as a result of (a) an issue of Shares as consideration in a transaction; or (b) an issue of Shares to the Noteholders upon their exercise of the conversion rights attaching to their Convertible Notes), the maximum number of Shares referred to in sub-paragraphs 9.1, 9.2 and 10.1 will be adjusted in such manner which must give a Grantee the same proportion of the issued share capital of the Company as that the Grantee was previously entitled, provided that no such adjustments

shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. In respect of any such adjustments, other than any made on capitalisation issue, an independent financial adviser or the Auditors (acting as experts and not as arbitrators) shall confirm to the Directors in writing that the adjustments satisfy the requirements mentioned above in this sub-paragraph 10.2 and those set out in the note to rule 17.03(13) of the Main Board Listing Rules.

11. REORGANISATION OF CAPITAL STRUCTURE

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation issue, rights issue, subdivision or consolidation of Shares, or reduction of the share capital of the Company or otherwise howsoever in accordance with legal requirements and requirements of the Stock Exchange excluding any alteration in the capital structure of the Company as a result of (a) an issue of Shares as consideration in respect of a transaction to which the Company is a party or (b) an issue of Shares to the Noteholders upon their exercise of the conversion rights attaching to their Convertible Notes, such corresponding alterations (if any) shall be made to:

- (i) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or
- (ii) the Subscription Price; and/or
- (iii) the method of exercise of the Option (if applicable),

as an independent financial adviser or the Auditors shall at the request of the Board certify in writing to the Directors, either generally or as regards any particular Grantee, to be in their opinion fair and reasonable and that any such alterations shall satisfy the requirements set out in the note to Rule 17.03(13) of the Main Board Listing Rules and shall give a Grantee the same proportion of the issued share capital of the Company as that to which the Grantee was previously entitled, provided that no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. In respect of any adjustment required by this paragraph, other than any made on a capitalisation issue, an independent financial adviser or the Auditors must also confirm to the Directors in writing that the adjustments satisfy the foregoing requirements. The capacity of the independent financial adviser or the Auditors in this paragraph 11 is that of experts and not of

arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the independent financial adviser or the Auditors shall be borne by the Company.

12. SHARE CAPITAL

The exercise of any Option shall be subject to the Shareholders in a general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

13. DISPUTES

Any dispute arising in connection with the New Share Option Scheme (whether as to the number of Shares the subject of an Option, the amount of the Subscription Price or otherwise) shall be referred to the decision of the Auditors or an independent financial adviser appointed by the Company who shall act as experts and not as arbitrators and whose decision shall be final and binding.

14. ALTERATION OF THE NEW SHARE OPTION SCHEME

- (i) The provisions of the New Share Option Scheme may be altered in any respect by resolution of the Board at its absolute discretion except that the provisions of the New Share Option Scheme as to:
 - (a) the definitions of “Grantee”, “Option Period” and “Participant” in the New Share Option Scheme;
 - (b) the provisions of paragraphs and sub-paragraphs 4.1, 5.1, 5.2, 5.3, 6, 7, 8, 9, 10, 11 and 14 in the New Share Option Scheme; and
 - (c) all such other matters set out in Rule 17.03 of the Main Board Listing Rules,

shall not be altered to the advantage of the Participants except with the prior approval of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent

or sanction of such majority of the affected Grantees as would be required of the Shareholders under the Articles of Association for the time being of the Company for a variation of the rights attached to the Shares.

- (ii) Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of the Options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (iii) The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of the Main Board Listing Rules.
- (iv) Any change to the authority of the Directors or scheme administrators in relation to any alteration to the terms of the New Share Option Scheme must be approved by the Shareholders in general meeting.

15. CANCELLATION OF THE OPTIONS GRANTED

The Board may, with the consent of the relevant Grantee, at any time at its absolute discretion cancel any Option granted but not exercised. Where the Company cancels Options and makes an Offer of the grant of new Options to the same Option holder, the Offer of the grant of such new Options may only be made under the New Share Option Scheme with available Options (to the extent not yet granted and excluding the cancelled Options) within the limit approved by the Shareholders as mentioned in paragraph 9.

16. TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company by resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme. Any outstanding Options granted under the New Share Option Scheme prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the New Share Option Scheme and their terms of issue. Details of the Options granted (including Options exercised or outstanding) under the New Share

Option Scheme are required under the Main Board Listing Rules to be disclosed in the circular to the Shareholders seeking approval of the first new scheme to be established after such termination.

17. MISCELLANEOUS

- 17.1 The New Share Option Scheme shall not form part of any contract of employment or directorship, service contract or engagement contract between the relevant member(s) of the Group and any Participant and the rights and obligations of any Participant under the terms of his employment, directorship or appointment shall not be affected by his participation in the New Share Option Scheme or any right which he may have to participate in it and the New Share Option Scheme shall afford such a Participant no additional rights to compensation or damages in consequence of the termination of such employment, directorship or appointment for any reason.
- 17.2 The New Share Option Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.
- 17.3 All allotments and issue of Shares shall be subject to any necessary consents under any relevant enactment or regulations in force from time to time in Hong Kong or elsewhere, and a Grantee shall be responsible for obtaining any governmental or other official consent or approval that may be required by any country or jurisdiction in order to permit the grant or exercise of the Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or approval or for any tax or other liability to which a Grantee may become subject as a result of his participation in the New Share Option Scheme.
- 17.4 The Grantee shall pay all tax and discharge other liabilities to which he may become subject as a result of his participation in the New Share Option Scheme or the exercise of any Option.
- 17.5 The New Share Option Scheme and all Options granted thereunder shall be governed by and construed in accordance with the Main Board Listing Rules and the laws of Hong Kong in force from time to time.

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SUNEVISION HOLDINGS LTD.

新意網集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8008)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of SUNeVision Holdings Ltd. (the “**Company**”) will be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Tuesday, 1 November 2011 at 12:30 p.m. (or so soon thereafter as the annual general meeting of the Company to be convened on the same day and at the same place shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions:

ORDINARY RESOLUTION

- (1) “**THAT:**
- (a) subject to and conditional upon (a) the passing of an ordinary resolution by the shareholders of Sun Hung Kai Properties Limited (“**SHKP**”, the holding company of the Company) at its general meeting (the “**SHKP Meeting**”) approving the adoption of the share option scheme of the Company (the “**New Share Option Scheme**”), the rules of which are contained in the document marked “A” produced to this meeting and for the purpose of identification signed by the chairman of the meeting; and (b) the Main Board Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the shares of the Company (the “**Shares**”) which may fall to be issued and allotted pursuant to the exercise of any options which may be granted under the New Share Option Scheme, the New Share Option Scheme be and is hereby approved and adopted which shall become effective upon fulfillment of all the conditions as set out in the New Share Option Scheme, and the directors of the Company be and are hereby authorised to do all such acts and to enter into all such transactions,

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arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme including but without limitation:

- (i) to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for Shares;
 - (ii) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment;
 - (iii) to issue and allot from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options under the New Share Option Scheme and subject to the Rules Governing the Listing of Securities on the Stock Exchange;
 - (iv) to make application at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of, and permission to deal in, any Shares which may from time to time be issued and allotted pursuant to the exercise of the options under the New Share Option Scheme, and where any such application has been made prior to the date of passing this resolution, the same be approved, confirmed and ratified; and
 - (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme; and
- (b) subject to and conditional upon the passing of an ordinary resolution by the shareholders of SHKP in the SHKP Meeting approving the termination of the existing share option scheme of the Company adopted by the Company on 3 December 2002 (the “**Existing Share Option Scheme**”), the Existing Share Option Scheme be and is hereby terminated and that such termination shall become effective when the New Share Option Scheme takes effect upon fulfillment of all the conditions as set out in the New Share Option Scheme.”

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SPECIAL RESOLUTION

(2) “**THAT:**

(a) the existing memorandum of association of the Company be and are hereby amended in the following manner:

(i) by deleting the phrase “Companies Law (2009 Revision)” and substituting therefor the phrase “Companies Law (2010 Revision)” in the memorandum of association of the Company; and

(ii) by deleting the phrase “Section 193 of the Companies Law” in paragraph 7 of the memorandum of association of the Company and substituting therefor the phrase “Section 174 of the Companies Law (2010 Revision)”;

(b) the existing articles of association of the Company (the “**Articles of Association**”) be and are hereby amended in the following manner:

(i) by deleting the phrase “Companies Law (2009 Revision)” and substituting therefor the phrase “Companies Law (2010 Revision)” in the Articles of Association;

(ii) by deleting in the 8th line of Article 95 the word “filing” immediately before the words “a casual vacancy” and substituting therefor the word “filling”;

(iii) by deleting Article 97 in its entirety and substituting therefor the following new Article 97:

“97. No person shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless within the seven-day period commencing on the day after the dispatch of the notice of the meeting appointed for such election (or such other period, being a period of at least seven days commencing no earlier than the day after the dispatch of the notice of such meeting and ending no later than seven days prior to the date of such meeting, as may be determined by the Directors from time to time), there has been given to the Secretary notice in writing by a member of the Company (not being the person to be

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proposed) entitled to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.”; and

(c) conditional upon the shares of the Company being listed on the main board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and being de-listed from the Growth Enterprise Market of the Stock Exchange (“**GEM**”) and that dealings in the shares of the Company on the main board of the Stock Exchange has commenced, the Articles of Association be and are hereby amended in the following manner:

(i) by deleting the definition of “Exchange” and “Listing Rules” in Article 2 and substituting therefor the following paragraphs:

““Exchange” shall mean The Stock Exchange of Hong Kong Limited;”;

““Listing Rules” shall mean the Rules Governing the Listing of Securities on the Exchange as amended from time to time;”; and

(ii) by deleting all references to the rule numbers of the Rules Governing the Listing of Securities on the GEM in the margin notes of the Articles of Association.”

By order of the Board
SUNEVISION HOLDINGS LTD.
Ng Wai-yee, Betty
Company Secretary

Hong Kong, 7 October 2011

Registered Office:

P.O. Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Head Office and Principal Place of Business:

MEGATOP, MEGA-iAdvantage
399 Chai Wan Road
Chai Wan
Hong Kong

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Notes:

1. A shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint another person or persons (who must be individual) as his or her proxy or proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a shareholder of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof and in default thereof the form of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiry of 12 months from the date of its execution.
3. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting; in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. The Memorandum and Articles of Association of the Company are in the English language. The Chinese version of the proposed amendments to the Memorandum and Articles of Association of the Company set out in the notice above (Resolution number 2) is a translation for reference only. Should there be any discrepancies, the English version shall prevail.