
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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sun^evision

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
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE
SHARES, RE-ELECTION OF RETIRING DIRECTORS, ADOPTION
OF NEW SHARE OPTION SCHEME AND TERMINATION OF
EXISTING SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice dated 28 September 2012 convening an annual general meeting of the Company to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 1 November 2012 at 12:00 noon (“AGM”) is set out on pages 42 to 48 of this circular. Whether or not you propose to attend the AGM, 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 AGM 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 AGM 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, 28 September 2012

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, including associated companies and jointly controlled entities as defined in those standards;
“AGM”	the annual general meeting of the Company to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 1 November 2012 at 12:00 noon or any adjourned meeting thereof;
“Articles of Association”	the articles of association of the Company;
“associate”	as such term is defined under the GEM Listing Rules;
“Auditor”	the auditor 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 GEM Listing Rules;
“Company”	SUNeVision Holdings Ltd., a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM;
“connected person”	as such term is defined under the GEM Listing Rules;
“Convertible Note(s)”	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;

DEFINITIONS

“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
“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
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	25 September 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“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 AGM
“Noteholder”	a person whose name is registered in the register of holders of the Convertible Note(s)

DEFINITIONS

“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 Participants 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
“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
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“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)

DEFINITIONS

“Share Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot, issue and deal with the Shares
“Share Repurchase Mandate”	a general mandate to the Directors to exercise the power of the Company to repurchase shares
“Share Repurchase Rules”	the GEM Listing Rules and the Takeovers Code
“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 of the Stock Exchange, and the holding company of the Company (Stock Code: 16)
“SHKP Meeting”	the annual general meeting of SHKP expected to be held on 15 November 2012 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
“subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance of Hong Kong (Chapter 32 of the Laws of Hong Kong) or the local companies law, act and/or ordinance where the subject company was incorporated)
“substantial shareholder”	as such term is defined under the GEM Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases
“%”	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

Registered Office:

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

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
John Anthony Miller

Head Office and Principal

Place of Business:
MEGATOP, MEGA-iAdvantage
399 Chai Wan Road
Chai Wan
Hong Kong

Independent Non-Executive Directors:

Li On-kwok, Victor
King Yeo-chi, Ambrose
Wong Kai-man
Kwok Kwok-chuen
Ma Kam-sing, Allen

28 September 2012

To the Shareholders and, for information only, the Noteholders

Dear Sir/Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES, RE-ELECTION OF RETIRING DIRECTORS,
ADOPTION OF NEW SHARE OPTION SCHEME AND
TERMINATION OF EXISTING SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

At the annual general meeting of the Company held on 1 November 2011, resolutions were passed giving general mandates to the Directors to allot, issue and

LETTER FROM THE BOARD

deal with Shares and to exercise the powers of the Company to repurchase Shares in accordance with the relevant rules set out under the GEM Listing Rules and the Takeovers Code. These general mandates will lapse at the conclusion of the AGM. It is therefore proposed to renew the general mandates to allot, issue and deal with Shares and to repurchase Shares at the AGM.

In addition, in view of the impending expiry of the Existing Share Option Scheme on 3 December 2012, the Company proposes to adopt the New Share Option Scheme and terminate the Existing Share Option Scheme which will only take effect subject to fulfillment of certain conditions.

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM which include, among other matters, (i) the proposed renewal of the Share Issue Mandate and the Share Repurchase Mandate; (ii) the extension of the Share Issue Mandate; (iii) the proposed re-election of retiring Directors; and (iv) the proposed adoption of the New Share Option Scheme and termination of the Existing Share Option Scheme, and to give you notice of AGM.

2. PROPOSED GENERAL MANDATE TO ISSUE SHARES

At the AGM, Ordinary Resolution no. 5 will be proposed for the Shareholders to consider and, if thought fit, grant the Share Issue Mandate during the period as set out in Ordinary Resolution no. 5 up to 10% of the issued share capital of the Company as at the date of passing Ordinary Resolution no. 5.

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,322,229,531 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Issue Mandate, the maximum number of Shares which may be allotted, issued and dealt with pursuant to the Share Issue Mandate on the date of passing the resolution approving the Share Issue Mandate will be 232,222,953 Shares.

In addition, Ordinary Resolution no. 7 will also be proposed for the Shareholders to consider and, if thought fit, approve the extension of the Share Issue Mandate by adding the number of Shares purchased under a general mandate to the Directors to exercise the power of the Company to repurchase Shares during the period as set out in Ordinary Resolution no. 6 up to 10% of the issued share capital of the Company as at the date of passing Ordinary Resolution no. 6, if granted.

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Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in Ordinary Resolutions nos. 5 and 7 as referred to in the notice dated 28 September 2012 convening the AGM as set out on pages 42 to 48 of this circular respectively. These mandates will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association of the Company, or any other applicable laws of the Cayman Islands to be held; and (c) the date on which the authority given under Ordinary Resolutions nos. 5 and 7 respectively are revoked or varied by an ordinary resolution of the Shareholders.

3. PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, Ordinary Resolution no. 6 will be proposed for the Shareholders to consider and, if thought fit, grant the Share Repurchase Mandate during the period as set out in Ordinary Resolution no. 6 up to 10% of the issued share capital of the Company as at the date of passing Ordinary Resolution no. 6. The Shares which may be repurchased pursuant to the Share Repurchase Mandate is up to 10% of the issued share capital of the Company on the date of passing the resolution approving the Share Repurchase Mandate.

An explanatory statement as required under the Share Repurchase Rules, giving certain information regarding the Share Repurchase Mandate, is set out in Appendix I to this circular. The Share Repurchase Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association of the Company, or any other applicable laws of the Cayman Islands to be held; and (c) the date on which the authority given under Ordinary Resolution no. 6 is revoked or varied by an ordinary resolution of the Shareholders.

4. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Articles 95 and 116 of the Articles of Association, Messrs. John Anthony Miller, Kwok Kwok-chuen and Ma Kam-sing, Allen will hold office until the AGM; and Messrs. Kwok Ping-kwong, Thomas, Chan Kui-yuen, Thomas, So Chung-keung, Alfred, So Wai-kei, Godwin and Tsim Wing-kit, Alfred will retire at the AGM respectively. Other than Messrs. Kwok Ping-kwong, Thomas, Chan Kui-yuen, Thomas and So Chung-keung, Alfred who will not offer themselves for re-election at the AGM, the remaining retiring Directors, being eligible, will offer themselves for re-election at the AGM.

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Each of Mr. Kwok Kwok-chuen and Mr. Ma Kam-sing, Allen, both being Independent Non-Executive Directors of the Company eligible for re-election at the AGM, has made an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company is of the view that each of Mr. Kwok Kwok-chuen and Mr. Ma Kam-sing, Allen meets the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and is independent in accordance with the terms of the guidelines, and recommends them to be re-elected.

Brief biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

5. 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 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. The Existing Share Option Scheme is valid and effective for a period of 10 years from 3 December 2002 and will expire on 3 December 2012. In view of the impending expiry of the Existing Share Option Scheme, the Company proposes to adopt the New Share Option Scheme and terminate the Existing Share Option Scheme. At the AGM, Ordinary Resolution no. 8 will be proposed for the Shareholders to consider and if thought fit, approve the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme. Subject to the approval of the Shareholders at the AGM and the approval of the shareholders of SHKP at the SHKP Meeting for the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme, the New Share Option Scheme will take effect on the Effective Date and the Existing Share Option Scheme will be terminated upon the New Share Option Scheme taking effect. 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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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 III), 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 for 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 AGM and the SHKP Meeting, 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.

As at the Latest Practicable Date, the number of Shares in issue was 2,322,229,531 Shares. Assuming that 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) and that no further option is granted under the Existing Share Option

LETTER FROM THE BOARD

Scheme prior to its termination and also taking into account the fact that there was no outstanding options under the Existing Share Option Scheme, 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 232,222,953 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 AGM:
 - (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; and
- (c) the GEM 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.

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 GEM.

LETTER FROM THE 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 III 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 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 AGM and at the AGM.

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 Option 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.

E. 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. As the substantial shareholders of the Company have been providing and are expected to continue to provide ample support and contribution to the businesses, operations and activities of the

LETTER FROM THE BOARD

Group, “substantial shareholders” are included as eligible Participants under the New Share Option Scheme. The inclusion of “substantial shareholders” as eligible Participants can achieve the purpose of the New Share Option Scheme in providing the Company with a flexible means of giving incentive to, rewarding, compensating and/or providing benefits to the Participants as stated in Appendix III of this circular under the section headed “Purpose of the New Share Option Scheme”. Such inclusion is also in line with the terms of the Existing Share Option Scheme adopted by the Shareholders in December 2002.

F. RECOMMENDATION

The Board believes that the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme are in the best interests of the Company and its Shareholders. Accordingly, the Board recommends that all Shareholders should vote in favour of Ordinary Resolution no. 8 to be proposed at the AGM.

6. 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 Company or its subsidiaries.

Save as disclosed in this section, none of the Directors or the controlling Shareholders of the Company 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 Company or its subsidiaries.

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 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 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.

LETTER FROM THE BOARD

8. ANNUAL GENERAL MEETING

A notice convening the AGM to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 1 November 2012 at 12:00 noon is set out on pages 42 to 48 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the Share Issue Mandate, the Share Repurchase Mandate, the extension of the Share Issue Mandate, the re-election of retiring Directors, and the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme as ordinary resolutions.

9. ACTION TO BE TAKEN

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it 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 but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM or any adjournment thereof if they so wish.

10. 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 AGM will therefore put each of the resolutions to be proposed at the AGM to be voted by way of a poll pursuant to Article 76 of the Articles of Association of the Company.

Pursuant to Article 81(a) of the Articles of Association of the Company, on a poll every Shareholders 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 AGM.

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

This Appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide all the information reasonably necessary to enable Shareholders to make an informed decision on whether to approve the Share Repurchase Mandate.

1. GEM LISTING RULES

The GEM Listing Rules permit companies with a primary listing on the GEM to repurchase their Shares on the Stock Exchange.

2. SHAREHOLDERS' APPROVAL

All proposed repurchases of Shares by a company with a primary listing on the GEM must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval of a particular transaction.

3. EXERCISE OF THE SHARE REPURCHASE MANDATE

As at the Latest Practicable Date, there were 2,322,229,531 Shares in issue. Subject to the passing of Ordinary Resolution no. 6 and assuming that there is no change in the issued share capital of the Company prior to the AGM, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 232,222,953 Shares.

4. REASONS FOR THE REPURCHASE OF SHARES

The Directors believe that the Share Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

5. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the applicable laws and regulations of the Cayman Islands and the Memorandum and Articles of Association of the Company. It is envisaged that the funds required for any repurchase would be derived from those funds of the Company legally permitted to be utilised in this connection, including capital paid up on the Shares to be repurchased, funds of the Company otherwise

available for dividend or distribution or out of the proceeds of a fresh issue of Shares and any premium payable on a repurchase shall be provided out of funds of the Company otherwise available for dividend or distribution or sums standing to the credit of the share premium account of the Company.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the latest published audited consolidated accounts contained in the annual report for the year ended 30 June 2012 in the event that the Share Repurchase Mandate is exercised in full during the proposed repurchase period. However, the Directors do not propose to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

The monthly highest and lowest prices at which the Shares were traded on GEM during the 12 months preceding the Latest Practicable Date were as follows:

	Share Prices (per Share)	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2011		
September	1.140	0.880
October	1.080	0.920
November	1.060	0.880
December	0.940	0.880
2012		
January	0.980	0.900
February	1.060	0.920
March	1.280	1.010
April	1.160	1.030
May	1.130	1.040
June	1.410	1.080
July	1.580	1.320
August	1.610	1.450
September (up to the Latest Practicable Date)	1.880	1.550

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate in accordance with the GEM Listing Rules, the applicable laws and regulations of the Cayman Islands and the Memorandum and Articles of Association of the Company.

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their associates, as such term is defined under the GEM Listing Rules, currently intends to sell Shares to the Company or its subsidiaries in the event that the Share Repurchase Mandate is approved by the Shareholders.

No connected person, as such term is defined under the GEM Listing Rules, has notified the Company that he has a present intention to sell the Shares to the Company, or has undertaken not to do so in the event that the Company is authorised to make repurchases of Shares.

8. THE TAKEOVERS CODE

If as a result of repurchase of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a shareholder, or group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

The interests of substantial shareholders which have been disclosed to the Company under Part XV of the SFO as at the Latest Practicable Date are as follows:

Name	Number of issued Shares held	Number of underlying Shares held under equity derivatives	Total	% of Shares in issue
SHKP	1,719,427,500	1,719,427,500 ²	3,438,855,000	148.08
HSBC Trustee (C.I.) Limited ³ ("HSBCCI")	1,721,567,500	1,719,427,500 ²	3,440,995,000	148.17

Notes:

1. Sunco Resources Limited (“Sunco”, a wholly-owned subsidiary of SHKP) is the beneficial owner of the 1,719,427,500 Shares and 1,719,427,500 underlying Shares held under equity derivative. For the purpose of Part XV of the SFO, SHKP is deemed to have interest in the 3,438,855,000 Shares (including 1,719,427,500 underlying Shares referred to in Note 2 below).
2. These represented the interests in the underlying Shares in respect of the Convertible Notes (which are unlisted, non-transferable, irredeemable and physically settled equity derivatives) in the amount of HK\$171,942,750 convertible into 1,719,427,500 Shares at the conversion price of HK\$0.10 per Share (subject to adjustment in accordance with the Deed Poll constituting the Convertible Notes) upon the exercise of the conversion rights attached to the Convertible Notes.
3. As HSBCCI is entitled to control the exercise of one-third or more of the voting power at general meetings of SHKP, HSBCCI is deemed to have interest in the 3,438,855,000 Shares (including 1,719,427,500 underlying Shares referred to in Note 2 above) held by SHKP for the purpose of Part XV of the SFO.

Assuming that there is no change in the issued share capital of the Company prior to the AGM, in the event that the Share Repurchase Mandate is exercised in full, the deemed interests of SHKP in terms of the voting rights of the Company would be increased from approximately 74.04% to approximately 82.26% and the deemed interests of HSBCCI in terms of the voting rights of the Company would be increased from approximately 74.13% to approximately 82.37%. Such increase would not give rise to an obligation on them to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. In addition, in view of the public float requirement under the GEM Listing Rules which requires at least 25% of the issued share capital of the Company to be held by the public, the Directors will use their best endeavours to ensure that the Share Repurchase Mandate will not be exercised to the extent that the Company will infringe such minimum public float requirement.

9. SHARE REPURCHASED BY THE COMPANY

During the six months preceding the Latest Practicable Date, there was no repurchase of Shares by the Company on GEM.

The details of the retiring Directors proposed to be re-elected at the AGM are set out as follows:

1. JOHN ANTHONY MILLER (AGE: 62)

Non-Executive Director

Mr. Miller, SBS, OBE, was appointed as a Non-Executive Director of the Company on 1 December 2011. He has been a Non-Executive Director of Transport International Holdings Limited and a Director of The Kowloon Motor Bus Company (1933) Limited since 1 March 2008, a Non-Executive Director of RoadShow Holdings Limited since 20 March 2008, and a Non-Executive Director of SmarTone Telecommunications Holdings Limited since 11 November 2010. He is also Chairman of Hong Kong Business Aviation Centre Limited, a partly-owned subsidiary of Sun Hung Kai Properties Limited. Mr. Miller retired from the Civil Service in February 2007 as Permanent Representative of the Hong Kong Special Administrative Region of China to the World Trade Organisation in Geneva. Key positions held over a career spanning 35 years prior to Mr. Miller's retirement include Permanent Secretary for Financial Services and the Treasury (2002-2004), Director of Housing and Chief Executive of the Housing Authority (1996-2002), Director-General of Trade (1993-1996), Director of Marine (1991-1993), Information Coordinator in the Chief Secretary's Office (1989-1991) and Private Secretary to the Governor (1979-1982). Mr. Miller holds an MPA degree from Harvard University and a BA degree from London University.

Save as disclosed above, Mr. Miller (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date prior to the printing of the circular, Mr. Miller does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Miller received an appointment letter from the Company for his appointment as a Non-Executive Director of the Company for a period from 1 December 2011 to 30 November 2014. Pursuant to the Articles of Association of the Company, he will retire and be eligible for re-election at the next annual general meeting of the Company. Thereafter, he will be subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the Articles

of Association of the Company. Under the appointment letter, Mr. Miller is entitled to a fee of HK\$30,000 per annum for being a Director (or a pro rata amount for the duration of his directorship for an incomplete year) and other emoluments to be determined by the Board from time to time. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of annual management bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director. For the financial year ended 30 June 2012, Mr. Miller is entitled to receive a fee of HK\$17,500 for being a Director of the Company.

2. KWOK KWOK-CHUEN (AGE: 58)

Independent Non-Executive Director

Mr. KWOK was appointed as an Independent Non-Executive Director of the Company on 5 May 2012. He has been an Honorary Senior Research Fellow in the School of Economics & Finance, The University of Hong Kong since November 2008, after resigning from the job of Government Economist for the Hong Kong SAR Government (the "Government"), a post that he served from 2004 to 2008. Before joining the Government, Mr. Kwok was the Regional Chief Economist of Standard Chartered Bank (Hong Kong) Limited for the East Asia region. He was also a Senior Economist of The Hongkong and Shanghai Banking Corporation Limited.

Mr. Kwok served on numerous committees and boards in Hong Kong, covering areas such as town planning, land and housing, trade and industry, regional economic cooperation, technology and research, education and training, and environment. He is now a member of the Currency Board Sub-Committee of the Exchange Fund Advisory Committee, helping to monitor the operation of the linked exchange rate system in Hong Kong.

Mr. Kwok also served as the Chairman of the Hong Kong Coalition of Service Industries, the Vice Chairman of the Economic Policy Committee of the Hong Kong General Chamber of Commerce, and the Honorary Economist of the British Chamber of Commerce in Hong Kong. Mr. Kwok was awarded the Bronze Bauhinia Star in 1999 and was appointed a Justice of the Peace in 2003 by the Government, in recognition of his long and dedicated public service.

Mr. Kwok holds a Bachelor of Social Sciences degree from The University of Hong Kong, a Master of Philosophy degree in Economics from The Chinese University of Hong Kong and a Master of Social Sciences degree in Public Administration from The University of Hong Kong.

Save as disclosed above, Mr. Kwok (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date prior to the printing of the circular, Mr. Kwok did not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Kwok received an appointment letter from the Company for his appointment as an Independent Non-Executive Director of the Company for a period from 5 May 2012 to 4 May 2015. Pursuant to the Articles of Association of the Company, he will retire and be eligible for re-election at the next annual general meeting of the Company. Thereafter, he will be subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the Articles of Association of the Company. Under the appointment letter, Mr. Kwok is entitled to a fee of HK\$100,000 per annum for being a Director (or a pro rata amount for the duration of his directorship for an incomplete year) while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of annual management bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director. For the financial year ended 30 June 2012, Mr. Kwok is entitled to receive a fee of HK\$15,600 for being a Director of the Company.

3. MA KAM-SING, ALLEN (AGE: 59)

Independent Non-Executive Director

Mr. Ma was appointed as an Independent Non-Executive Director of the Company on 5 May 2012. He has been an Independent Director of RDA Microelectronics Inc. (a Nasdaq listed company) since 14 May 2012. He was the President, Asia Pacific, of British Telecom plc from 2005 until his retirement in 2009. He was the Vice President, Asia, of the Network Infrastructure Division of Motorola, Inc. (2001-2005), an Executive Director of Hong Kong Telecommunications Limited ("Hong

Kong Telecom”) (subsequently called Cable & Wireless HKT Limited, which was formerly listed on the Main Board of the Stock Exchange until 17 August 2000, when its listing was withdrawn from the Main Board of the Stock Exchange upon completion of its merger with Pacific Century Cyberworks Limited (now known as PCCW Limited)) (1999-2000), the Chief Executive Officer of Hong Kong Telecom IMS Ltd (1998-2000), the Managing Director of Hong Kong Telecom CSL Ltd (1996-1998), the Director of Marketing, Fixed Network, of Hong Kong Telecom (1994-1995) and the Director of Personal Market, Fixed Network, of Hong Kong Telecom (1993-1994).

Mr. Ma holds a Master’s degree in Business Administration from the University of Toronto. He is a fellow member of both the Chartered Institute of Management Accountants, United Kingdom and the Association of Chartered Certified Accountants, United Kingdom. He is also a member of the Certified Management Accountants, Canada.

Save as disclosed above, Mr. Ma (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date prior to the printing of the circular, Mr. Ma did not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Ma received an appointment letter from the Company for his appointment as an Independent Non-Executive Director of the Company for a period from 5 May 2012 to 4 May 2015. Pursuant to the Articles of Association of the Company, he will retire and be eligible for re-election at the next annual general meeting of the Company. Thereafter, he will be subject to retirement by rotation and re-election at the Company’s annual general meetings in accordance with the Articles of Association of the Company. Under the appointment letter, Mr. Ma is entitled to a fee of HK\$100,000 per annum for being a Director (or a pro rata amount for the duration of his directorship for an incomplete year) while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of annual management bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director. For the financial year ended 30 June 2012, Mr. Ma is entitled to receive a fee of HK\$15,600 for being a Director of the Company.

4. SO WAI-KEI, GODWIN (AGE: 47)*Compliance Officer, Company Secretary and Authorised Representative*

Mr. So has been an Executive Director of the Company since 1 November 2009. He was appointed as a compliance officer of the Company on 14 September 2010 and was also appointed as the Company Secretary and an authorised representative of the Company on 16 April 2012. He is a member of the Corporate Governance Committee of the Company. He is a Group Financial Control Manager of SHKP, and a Director of Route 3 (CPS) Company Limited, Transport Infrastructure Management Limited and Hung Kai Finance Company, Limited which are the subsidiaries of SHKP. He also serves as Alternate Director to Mr. Kwok Ping-sheung, Walter in Transport International Holdings Limited. Before joining SHKP in 2002, Mr. So worked for two banks in Hong Kong holding various managerial positions in internal auditing, operation management and business planning.

Mr. So holds a Bachelor of Arts degree from the City University of Hong Kong. He is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered and Certified Accountants, the Institute of Chartered Secretaries and Administrators, the Hong Kong Institute of Chartered Secretaries, the Chartered Institute of Bankers and the Hong Kong Institute of Bankers.

Save as disclosed above, Mr. So did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas and does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. So does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. So has entered into a service agreement with the Company for a period of three years commencing on 1 November 2009 and shall continue thereafter unless and until terminated by either party giving to the other notice in writing, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association of the Company. According to his service agreement with the Company, there is no fixed remuneration and his director's fee is fixed by the Board while his annual salary is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of annual management bonus, if any, is determined by the Board at its absolute discretion having regard to the operating

results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director. For the financial year ended 30 June 2012, Mr. So is entitled to receive a fee of HK\$30,000 for being a Director of the Company and other emoluments of approximately HK\$12,000.

5. TSIM WING-KIT, ALFRED (AGE: 49)

Chief Executive Officer and Authorised Representative

Mr. Tsim has been an Executive Director of the Company since 12 July 2006. He was appointed as the Acting Chief Executive Officer of the Company in June 2008 and was re-designated as Chief Executive Officer on 1 December 2008. He is also a member of the Remuneration Committee, Nomination Committee and Corporate Governance Committee of the Company and an authorised representative of the Company. Mr. Tsim has been appointed as a Non-Executive Director of SmarTone Telecommunications Holdings Limited with effect from 18 November 2009. He is also a director of certain subsidiaries of the Company. Prior to joining the Company in February 2000, he worked for international accounting firms, financial institution and major telecommunication operators in Hong Kong. He is a member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, United Kingdom, CPA Australia, CMA Canada and The Institute of Chartered Accountants in England and Wales. Mr. Tsim holds a Bachelor of Arts degree from the City University of Hong Kong, a Master of Business Administration degree from The University of Sydney, a Master of Laws degree from the University of Wolverhampton, United Kingdom and a Diploma in Management Accounting from The Chinese University of Hong Kong.

Save as disclosed above, Mr. Tsim did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas and does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date prior to the printing of the circular, Mr. Tsim does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Tsim has entered into a service agreement with the Company which has no fixed term of director's service and which shall continue thereafter unless and until terminated by either party giving to the other notice in writing but he is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association of the Company. According to his service

agreement with the Company, there is no fixed remuneration and his director's fee is fixed by the Board while his annual salary is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of annual management bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director. For the financial year ended 30 June 2012, Mr. Tsim is entitled to receive a fee of HK\$35,000 for being a Director of the Company and other emoluments of approximately HK\$5,055,940.

Save as disclosed above, there are no other matters concerning the retiring Directors that need to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rules 17.50(2)(h) to (v) of the GEM Listing Rules.

The following is a summary of the principal terms of the New Share Option Scheme to be approved at the AGM. 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 AGM to make such amendments to the New Share Option Scheme as they may consider necessary or appropriate provided that such amendments do not conflict in any material aspects with the summary as contained in this appendix.

1. PURPOSE OF THE NEW SHARE OPTION 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 the AGM:
 - (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 the SHKP Meeting approving the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme; and
- (c) the GEM 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.

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 GEM 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 therein) shall be final and binding on all parties.
- 4.3 Subject to the compliance with the requirements of the GEM 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 GEM 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 GEM 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 GEM Listing Rules) for the approval of the Company's results for any year, half-year or quarter-year period or any other interim period (whether or not required under the GEM Listing Rules); and (ii) the deadline for the Company to publish an announcement of its results for any year, half-year or quarter-year period under the GEM Listing Rules, or any other interim period (whether or not required under the GEM Listing Rules), and ending on the date of the results announcement, or, if the GEM Listing Rules shall specify such other period during which no Option may be granted, during such other period so specified, 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 from 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 by way of consideration for the granting thereof is received by the Company within the period as stipulated 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 GEM 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) the average closing price 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 Auditor (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 the Grantee's 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 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), (e) or (f);

- (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 the 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 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 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 OPTIONS

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 sub-paragraph 4.1 and paragraph 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-paragraph 9.1(b) or 9.1(c). Options granted under the New Share Option Scheme and lapsed in accordance with the terms thereof, and options granted under any other share option schemes of the Company and lapsed in accordance with the terms thereof, will not be counted for the purpose of calculating such 10% limit.
- (b) The Company may seek approval of its 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 its Shareholders a circular containing the information as may be required under the GEM Listing Rules.

- (c) The Company may seek separate approval by its 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 its Shareholders a circular containing a generic description of the specified Participants 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 Participants with an explanation as to how the terms of the Options serve such purpose and all such information as may be required under the GEM 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 Shares in issue from time to time (or such higher percentage as may be allowed under the GEM 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% (or such other percentage permitted under the GEM Listing Rules) (the “**Relevant Percentage**”) 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 the Relevant Percentage 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 its 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 all such other information as may be required under the GEM Listing Rules.
- (c) In addition to paragraph 9 and sub-paragraphs 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 paragraph 9 and sub-paragraphs 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% (or such other percentage permitted under the GEM Listing Rules) 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 (or such other amount specified under the GEM Listing Rules),

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 GEM 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 to which 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 Auditor (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 23.03(13) of the GEM 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 Auditor 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 23.03(13) of the GEM 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 11, other than any made on a capitalisation issue, an independent financial adviser or the Auditor must also confirm to the Directors in writing that the adjustments satisfy the foregoing requirements. The capacity of the independent financial adviser or the Auditor 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 Auditor 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 Auditor 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

14.1 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 this paragraph 14 in the New Share Option Scheme; and
- (c) all such other matters set out in Rule 23.03 of the GEM 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 a variation of the rights attached to the Shares.

14.2 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.

14.3 The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of the GEM Listing Rules.

14.4 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 GEM 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 GEM Listing Rules and the laws of Hong Kong in force from time to time.

NOTICE OF ANNUAL GENERAL MEETING



sunEvision

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 annual general meeting of SUNeVision Holdings Ltd. (the “**Company**”) will be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 1 November 2012 at 12:00 noon for the following purposes:

1. To receive and consider the audited financial statements, the Directors’ report and the independent auditor’s report for the year ended 30 June 2012;
2. To declare a final dividend;
3. To re-elect retiring Directors and to authorise the board of Directors to fix the Directors’ remuneration;
4. To re-appoint auditor and to authorise the board of Directors to fix their remuneration;

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

5. “**THAT:**
 - (A) subject to paragraph (C) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (the “**Shares**”) and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;

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- (B) the approval in paragraph (A) of this resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such power after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (A) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options under any share option scheme of the Company or similar arrangement for the time being and from time to time adopted by the Company in accordance with the applicable rules of The Stock Exchange of Hong Kong Limited for the grant or issue of Shares or rights to acquire Shares (including, without limitation, any share option scheme to be adopted by the Company at or after this annual general meeting); or (iii) any scrip dividends or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into Shares, shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the authority pursuant to paragraph (A) of this resolution shall be limited accordingly; and
- (D) for the purpose of this resolution:

“Relevant Period” means the period from the date of passing this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association of the Company, or any other applicable laws of the Cayman Islands to be held; and

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- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this resolution.

“Rights Issue” means an offer of Shares, or offer or issue of options, warrants or other securities giving the rights to subscribe for Shares, open for a period fixed by the Directors of the Company to holders of Shares, or any class of Shares, whose name appears on the register (and where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their holdings of Shares (or, where appropriate, such other securities) as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

6. **“THAT:**

- (A) subject to paragraph (B) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company (the “Shares”) on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited or on any other stock exchange on which the Shares may be listed and recognised by The Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited for this purpose, subject to and in accordance with the rules and regulations of The Securities and Futures Commission of Hong Kong, The Stock Exchange of Hong Kong Limited or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (B) the aggregate nominal amount of Shares which the Company is authorised to repurchase pursuant to the approval in paragraph (A) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution, and the said approval shall be limited accordingly; and

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(C) for the purpose of this resolution,

“Relevant Period” means the period from the date of passing this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association of the Company, or any other applicable laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this resolution.”

7. “**THAT** subject to the passing of Ordinary Resolutions nos. 5 and 6 set out in the notice convening this meeting, the general unconditional mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue and deal with Shares referred to in Ordinary Resolution no. 5 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution no. 6 set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing Ordinary Resolution no. 6.”.

8. “**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 Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for the Growth Enterprise Market (“**GEM**”) 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

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is hereby approved and adopted with effect from the day on which all the conditions as set out in the New Share Option Scheme have been fulfilled, and the Directors of the Company be and are hereby authorised to do all such acts and to enter into all such transactions, 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 GEM;
 - (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.”

By order of the Board
SUNEVISION HOLDINGS LTD.
So Wai-kei, Godwin
Director and Company Secretary

Hong Kong, 28 September 2012

NOTICE OF ANNUAL GENERAL MEETING

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

Notes:

1. (a) In order to determine entitlements to attend and vote at the Annual General Meeting (“AGM”), the Register of Members will be closed on Wednesday, 31 October 2012 and Thursday, 1 November 2012 during which no transfer of Shares will be effected.
 - (i) In the case of Shares, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops No. 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 30 October 2012.
 - (ii) In the case of convertible notes of the Company, as announced by the Company in its final results announcement dated 11 September 2012, in order to be entitled to attend and vote at the AGM, the notice of conversion accompanied by the relevant note certificate and payment of the necessary amount should have been surrendered to and deposited with 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 for conversion into Shares not later than 4:30 p.m. on Thursday, 13 September 2012.
- (b) In addition, the Register of Members of the Company will be closed on Friday, 9 November 2012. On the assumption that the resolution for declaring the final dividend is duly passed at the AGM:
 - (i) in the case of the Shares, in order to determine entitlement to the final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops No. 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 8 November 2012; and
 - (ii) in the case of convertible notes of the Company, in order to determine entitlement to receive the relevant payments under the convertible notes, the noteholders shall remain to be registered on the Register of Noteholders of the Company on Friday, 9 November 2012.
2. A shareholder entitled to attend and vote at the meeting is entitled to appoint a 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.
3. 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.

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4. 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.
5. With reference to Resolution no. 3 above, Messrs. John Anthony Miller, Kwok Kwok-chuen and Ma Kam-sing, Allen will hold office until the AGM; and Messrs. Kwok Ping-kwong, Thomas, Chan Kui-yuen, Thomas, So Chung-keung, Alfred, So Wai-kei, Godwin and Tsim Wing-kit, Alfred will retire at the AGM respectively. Other than Messrs. Kwok Ping-kwong, Thomas, Chan Kui-yuen, Thomas and So Chung-keung, Alfred who will not offer themselves for re-election at the AGM, the remaining retiring Directors, being eligible, will offer themselves for re-election at the AGM. Details of the retiring Directors are set out in Appendix II to the circular dated 28 September 2012.
6. With reference to Resolutions nos. 5, 6, and 7 above, the Directors wish to state that they have no immediate plans to repurchase any Shares or issue any new securities pursuant to the relevant mandate.