



SUNEVISION HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

RESULTS FOR THE THREE MONTHS ENDED 30TH SEPTEMBER 2000

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HIGHLIGHTS

- Turnover increased to HK\$32,077,000 representing a 55% growth compared with the last quarter.
- Operating costs decreased by 20% due to effective cost control measures compared with the last quarter.
- Loss before taxation was reduced to HK\$30,836,000 representing a 23% decrease compared with the last quarter.

CHAIRMAN'S STATEMENT

I am pleased to present SUNeVision's 2000/01 first quarter results showing strong revenue growth and a significant reduction in loss compared to the previous quarter.

This has been achieved through prudent financial management, increased business development and new revenue sources.

During the reporting period, all of our operating units made good progress. They achieved healthy growth, exceeded business milestones and rolled out new services on time. iAdvantage opened new data centres in Beijing and Shanghai; Super-Office's customer base grew significantly, and in September a new service called MyERP@Cyberbanking was launched with the Bank of East Asia. The number of registered users of Red-Dots and SuperHome continued to grow; Property Street launched e-Mortgage and the initial response to the service has been encouraging.

While our skills in financial management and business development are important, what is equally vital to the long-term success of SUNeVision is how we adapt to today's changing business environment. As we look for more opportunities to serve our customers, we will continue to introduce new services to meet the changing demands of the industry. In this way, we also broaden our revenue sources. This has already shown itself to be effective in several operating units where new services have brought in additional revenue.

The venture capital group made three important investments during this period, the most notable being ChinaCast Technology, the technology enabler for the first nationwide, satellite-based, broadband Internet service in China.

SUNeVision will continue to look for investments and strategic alliances that complement our operating businesses. The current market consolidation represents a tremendous opportunity for us to invest for our future growth with our significant cash reserve. However, with the complete recovery of the economy still to come, the road ahead is full of challenges. But despite today's negative market sentiment, I remain optimistic for SUNeVision's growth prospects. I believe steady growth can be achieved by offering the best service to our customers at a competitive price.

Kwok Ping Luen, Raymond
Chairman & Chief Executive Officer

Hong Kong, 14 November, 2000

BUSINESS REVIEW

Internet Infrastructure Provider

iAdvantage

iAdvantage continued its aggressive growth during the reporting period. Leasing in its three data centres in Hong Kong has been strong. Jumbo iAdvantage in Tsuen Wan has leased more than 50% of its space and over 30% of the space in Mega iAdvantage in Chai Wan has been signed up, ahead of its December opening. The operating unit's first Internet service centre in Hong Kong, One iAdvantage in Millennium City in Kwun Tong, has increased the number of racks from 450 to 570 to meet market demand. In September, iAdvantage also finished wiring up six million sq ft of prime commercial space providing broadband Internet access to business customers.

In July, iAdvantage signed a joint venture agreement with Wing Tai, one of the leading property developers in Singapore, to develop data centres in the region. The joint venture's first data centre in Singapore, Wing Tai iAdvantage, opened in October with 20% of the floor space already leased. The two companies are looking at other locations in the region for expansion.

Super e-Technology

During the reporting period, Super e-Technology continued broadband enabling its SMATV (Satellite Master Antenna Television) network. At the end of September, broadband capability has been made available to 38,000 households.

Business Enabling Service

Super-Office

Since its launch in August, Super-Office has established itself as one of the leading application service providers for small- and medium-sized enterprises in Hong Kong. At the end of September, it had more than 300 business users. It has two customer centres, one in Hong Kong and the other in Guangzhou. A new service, called MyERP@Cyberbanking, the first integrated and innovative approach to enterprise management, was launched with the Bank of East Asia in September. Super-Office offers a comprehensive range of best-of-breed applications and e-commerce services to business customers and it will continue to expand its product set and develop new revenue streams.

Consumer Enabling Service

SuperHome

SuperHome has continued to build up its client and communities base, while increasing its range of products and services. At the end of September, SuperHome had a total of 60,000 registered users covering Shatin, Tsuen Wan, Tsing Yi, Tseung Kwan O and East Kowloon. Merchant partners who have joined this pioneering e-community platform include many local and international top brands such as Dell Computer, IBM and Dairy Farm.

SuperStreets

PropertyStreet

eMortgage, the mortgage referral service under Property Street, was launched in July and has quickly established itself as Hong Kong's leading e-mortgage operator. In the three months since its launch, it has already successfully completed \$300 million worth of mortgages and has become a major source of income of SuperStreets' multi-revenue business model. Apart from eMortgage, other income streams include interior design, eMall, insurance referral, and the development of web sites for property developers and estate agents.

Red-Dots

Red-Dots has earned its reputation as Hong Kong's leading auction site by having the largest number of users as well as an extensive range of products for sale. At the end of September, the total number of users was 86,000. While aggressively expanding its on-line auction business, Red-Dots has been successful in developing its e-tailing services and loyalty programmes for Coca Cola and HSBC. It is also developing an e-commerce technology platform for a major B2B client.

Investments

Venture Capital

SUNeVision's venture capital group made three important investments during the reporting period. In the first investment, SUNeVision co-invested with Intel and Hughes Network Systems in ChinaCast Technology, the technology enabler for the first nationwide, satellite-based, broadband Internet service in China.

In the second, SUNeVision was a lead investor in i-Security Solutions, a developer of cryptographic technologies used in data security products and solutions primarily for the Asian markets. Lastly, we invested in Anabas, a Silicon Valley-based provider of leading-edge collaborative software platforms.

These portfolio companies are synergistic with SUNeVision's core Internet infrastructure and enabling service businesses and have the potential to emerge as the market leaders in their respective industries.

QUARTERLY RESULTS FOR THE PERIOD ENDED 30TH SEPTEMBER 2000 (UNAUDITED)

The Board of Directors (the “Board”) of Sunevision Holdings Limited (the “Company” or “SUNeVision”) is pleased to announce the unaudited results of the Company and its subsidiaries (the “Group”) for the three months ended 30th September 2000 together with the comparative unaudited figures for the corresponding period in 1999 as follows:

		Three months ended 30 th September	
	Notes	2000 HK\$'000	1999 HK\$'000
Turnover	2	32,077	11,010
Cost of sales		(37,990)	(7,725)
Gross (loss)/ profit		(5,913)	3,285
Other income		51,692	3,541
Research & development expenses		45,779	6,826
Selling expenses		3,799	1,342
Administrative expenses		23,740	756
(Loss)/ Profit from operations		42,446	2,926
Finance charges		(24,206)	1,802
Share of result of an associate		5,679	3,489
Loss before taxation		951	-
Taxation	3	(30,836)	(1,687)
Loss after taxation		(1,720)	(436)
Minority interests		(32,556)	(2,123)
Loss attributable to shareholders		773	-
Loss per share - Basic	4	(31,783)	(2,123)
		=====	=====
		1.55 cents	0.12 cents

Notes:

1. Group reorganization and the basis of preparation

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 25th January 2000. In preparation for the listing of the Company's shares on GEM, the group reorganization was effected whereby SUNeVision became the holding company of the Group. The shares of the Company were listed on GEM on 17th March 2000.

The unaudited results of the Group have been prepared on a merger basis as if the Company had always been the holding company of the respective subsidiaries now comprising the Group. In the opinion of the Board, the above presents fairly the result of the Group as a whole.

2. Turnover

Turnover represents the aggregate of installation and maintenance fees of satellite master antenna television system and security systems, income from customers use of Internet services centre facilities, property rent and management income, Internet facilities, advertising and related revenue, after elimination of inter-group transactions.

3. Taxation

Hong Kong profits tax has been provided for at the rate of 16% (1999: 16%) on the estimated assessable profits for the period.

4. Loss per share

The calculation of the Group's basic loss per share for the three months ended 30th September 2000 is based on the Group's unaudited loss attributable to shareholders of approximately HK\$31,783,000 (1999: approximately HK\$2,123,000) and the weighted average number of 2,045,000,000 (1999: 1,700,000,000) shares in issue during the period. In determining the weighted average number of shares, 1,700,000,000 shares issued on the establishment of the Company and reorganization of the Group were deemed to have been issued since 1st July 1999.

No diluted loss per share has been presented for the three months ended 30th September 2000 as the exercise of the Company's outstanding share options and convertible note would result in a decrease in net loss per share.

DIVIDEND

The Directors do not recommend the payment of an interim dividend for the three months ended 30th September 2000 (1999: nil).

DIRECTORS' INTERESTS IN SECURITIES

As at 30th September 2000, the interests of the directors and their associates in the securities of the Company and its associated corporations ("securities" and "associated corporations" as defined in the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance")) as recorded in the register maintained by the Company pursuant to Section 29 of the SDI Ordinance were as follows:

1. SUNeVision's shares

Name of Directors	Personal Interest	Family Interest	Corporate Interest	Other Interest	Total no of shares
Kwok Ping Luen, Raymond	672,500			1,070,000 (Note)	1,742,500
Kwok Ping Sheung, Walter	-	-	-	1,070,000 (Note)	1,070,000
Kwok Ping Kwong, Thomas	-	-	-	1,070,000 (Note)	1,070,000
So Chung Keung, Alfred	416	500	-	-	916

Note: These are deemed interests (by virtue of the SDI Ordinance) of Messrs Kwok Ping Luen, Raymond, Kwok Ping Sheung, Walter and Kwok Ping Kwong, Thomas. Of these shares, 1,070,000 shares represent the same interests and are therefore duplicated amongst these three directors.

2. Shares in Sun Hung Kai Properties Limited

Name of Director	Personal Interest	Family Interest	Corporate Interest	Other Interest	Total no of shares
Kwok Ping Luen, Raymond	-	1,000	-	1,074,835,895 (Note)	1,074,836,895
Kwok Ping Sheung, Walter	-	3,000	-	1,073,642,522 (Note)	1,073,645,522
Kwok Ping Kwong, Thomas	1,901,281	304,065	-	1,071,692,214 (Note)	1,073,897,560
Hui Ho Ming, Herbert	24,000	-	-	-	24,000
Chan Kui Yuen, Thomas	126,500	66,000	-	-	192,500
Wong Yick Kam, Michael	50,904	-	-	-	50,904
Leung Kui King, Donald	10,000	-	-	-	10,000
So Chung Keung, Alfred	189,985	-	-	-	189,985

Notes: These are deemed interests (by virtue of the SDI Ordinance) of Messrs Kwok Ping Luen, Raymond, Kwok Ping Sheung, Walter and Kwok Ping Kwong, Thomas. Of these shares in Sun Hung Kai Properties Limited ("SHKP"), 1,051,658,347 shares represent the same interests and are therefore duplicated amongst these three directors.

3. Shares in associated corporations

- (a) Each of Messrs Kwok Ping Luen, Raymond, Kwok Ping Sheung, Walter and Kwok Ping Kwong, Thomas had the following interests in the equity securities of the following associated corporations:

Associated corporation	No. of class of securities	Category of interest
Superindo Company Limited	10 Ordinary shares	Personal
Super Fly Company Limited	10 Ordinary shares	Personal
Splendid Kai Limited	2,500 Ordinary shares	Corporate (Note)
Hung Carom Company Limited	25 Ordinary shares	Corporate (Note)
Tinyau Company Limited	1 Ordinary share	Corporate (Note)
Open Step Limited	8 Ordinary shares	Corporate (Note)

Note: These are deemed interests (by virtue of the SDI Ordinance) because these securities are held by companies in which Messrs. Kwok Ping Luen, Raymond, Kwok Ping Sheung, Walter and Kwok Ping Kwong, Thomas are entitled to control the exercise of one third or more of the voting rights at the general meetings.

- (b) Messrs. Kwok Ping Luen, Raymond and Kwok Ping Sheung, Walter had personal interests of 393,350 ordinary shares and 61,522 ordinary shares respectively in the equity security of The Kowloon Motor Bus Holdings Limited.
- (c) Mr. Kwok Ping Luen, Raymond had personal interests of 690,000 ordinary shares in SmarTone Telecommunications Holdings Limited.
- (d) Professor Li On Kwok, Victor had family interests of 5,000 ordinary shares in SmarTone Telecommunications Holdings Limited.

4. SUNeVision's share option

The Group operates three share option schemes. During the year, certain directors were granted options to subscribe for shares in the Company. Details of the options granted during the year are as follow:

Name of directors	Number of options granted and balance at 30.9.2000
Kwok Ping Luen, Raymond	755,000
Kwok Ping Sheung, Walter	415,000
Kwok Ping Kwong, Thomas	415,000
Hui Ho Ming, Herbert	720,000
Chan Kui Yuen, Thomas	510,000
Wong Yick Kam, Michael	360,000
Leung Kui King, Donald	360,000
So Chung Keung, Alfred	360,000
Tung Chi Ho, Eric	360,000
Wong Chin Wah, Jimmy	360,000
Tung Yiu Kwan, Stephen	360,000
Ho Chi Lam, Alfred	285,000

All the above options were granted and accepted on 28 March 2000 for nominal consideration and the exercise prices of these options is HK\$10.38 per share. These options may be exercised in accordance with the terms of the relevant scheme as to:

- (i) one third of the options within three years commencing on 31 December 2000;
- (ii) a further one third of the options within three years commencing on 31 December 2001; and
- (iii) the remaining one third of the options within three years commencing on 31 December 2002.

5. SHKP share options

Pursuant to the share option scheme of SHKP certain directors of the Company were granted share options ("SHKP Options") to subscribe for shares ("SHKP Shares") in SHKP, details as follows:

Name of directors	Number of SHKP Options granted and balance at 30.9.2000
Chan Kui Yuen, Thomas	150,000
Wong Yick Kam, Michael	150,000
So Chung Keung, Alfred	120,000
Tung Chi Ho, Eric	120,000

All of the above options were granted and accepted on 15th February 2000 for nominal consideration and the exercise prices of all these options are HK\$70 per SHKP share.

The options can be exercised up to one third during the second year from the date of grant, up to two thirds during the third year from the date of grant, and in whole or in part any time three years after the date of grant.

Save as disclosed in sub-sections 1, 2 and 3 above, none of the directors and their associates had any personal, family, corporate or other interests in the securities of the Company or any of its associated corporations as defined in the SDI Ordinance as recorded in the register as at 30 September, 2000 maintained under Section 29 of the SDI Ordinance or which are required, pursuant to rules 5.40 to 5.49 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

Save as disclosed in sub-sections 4 and 5 above, at no time during the year was the Company or its holding companies or subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate and none of the directors, or their spouses or children under the age of 18, had any rights to subscribe for securities of the Company, or had exercised any such rights.

COMPETING INTERESTS

Mr. Kwok Ping Luen, Raymond, the Company's Chairman and Chief Executive Officer, is also the Chairman of SmarTone Telecommunications Holdings Limited ("SmarTone"), an associated company of the Company within the meaning of the SDI Ordinance. The business of SmarTone consists of Internet services, which may be in competition with a part of the business of the Group.

The independent non-executive Directors of the Company, Professor Kao Kuen, Charles, Professor Li On Kwok, Victor and Professor Zhang Soucheng, Steven, are well recognized leaders in the field of information technology development and have been appointed to various positions including consultants and directors to institutions and business entities which are engaged in research, development and business. These institutions and business entities may be in competition with the Group.

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

SUBSTANTIAL SHAREHOLDERS

As at 30 September 2000, in addition to those interests as disclosed above in respect of the directors, according to the register of substantial shareholders required to be maintained under Section 16(1) of the SDI Ordinance, the Company had been notified of the following interests, being 10% or more in the issued share capital of the Company:

Name	Number of Shares	Approximate percentage of holding
Sunco Resources Limited ("Sunco")	1,713,213,500	83.78
SHKP (Note 1)	1,713,213,500	83.78
HSBC Holdings plc (Note 2)	1,702,699,824	83.26
HSBC Finance (Netherlands) (Note 2)	1,702,699,824	83.26
HSBC Holdings B.V. (Note 2)	1,702,699,824	83.26
HSBC Investment Bank Holdings B.V. (Note 2)	1,702,252,590	83.24
HSBC International Trustee Limited (Note 3)	1,702,227,303	83.24

Notes:

1. As Sunco is a wholly-owned subsidiary of SHKP, SHKP is deemed to have interest in the 1,713,213,500 shares of the Company held by Sunco by virtue of the SDI Ordinance.
2. The shares in which HSBC International Trustee Limited was interested formed part of the shares in which HSBC Investment Bank Holdings B.V. was interested; the shares in which HSBC Investment Bank Holdings B.V. was interested formed part of the shares in which HSBC Holdings B.V. was interested; the shares in which HSBC Holdings B.V. was interested were the shares in which HSBC Finance (Netherlands) was interested and the shares in which HSBC Finance (Netherlands) was interested formed part of the shares in which HSBC Holdings plc was interested.
3. Of the SHKP shares in which HSBC International Trustee Limited was interested 1,051,658,347 shares were part of the shares referred to in the Note to sub-section 2 of this section on "Directors' Interests in Securities".

MANAGEMENT SHAREHOLDERS

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

SPONSOR'S INTEREST

As at 30 September 2000, the directors and employees of Jardine Fleming Securities Limited ("Jardine Fleming") were interested in 2,500 shares and 1,514 shares of the Company respectively. Save as disclosed herein, none of Jardine Fleming, its directors, employees or associates had any interest in the securities of the Company or any members of the Group, or any right to subscribe for or to nominate persons to subscribe for the securities of the Company or any members of the Group.

Pursuant to the agreement dated 3 March, 2000 entered into between the Company and Jardine Fleming, Jardine Fleming will receive a fee for acting as the Company's sponsor for the period from 17 March, 2000 to 30 June, 2002.

AUDIT COMMITTEE

The audit committee has three members comprising two independent non-executive directors, Professor Kao Kuen, Charles (Chairman) and Professor Li On Kwok, Victor and one non-executive director, Mr. Cheung Wing Yui with terms of reference in compliance with the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control procedures of the Group.

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

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

YEAR 2000 COMPLIANCE

The Board is pleased to announce that all accounting and financial applications in the Group were fully Year 2000 compliant and therefore, the Year 2000 issue had no adverse impact on the business operations in all functional areas of the Group.

By Order of the Board

Kwok Ping Luen, Raymond
Chairman & Chief Executive Officer

Hong Kong, 14 November, 2000

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for 7 days from the day of its posting and on the website Sunevision Holdings Limited at www.sunevision.com.