

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the directors (the "Directors") of SUNEVISION HOLDINGS LTD. (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (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 announcement 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 announcement misleading.



SUNEVISION HOLDINGS LTD.

新意網集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8008)

**HALF-YEAR RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2010**

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM")
OF THE STOCK EXCHANGE**

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.

HIGHLIGHTS

- SUNeVision achieved a profit attributable to the owners of the Company of HK\$128.8 million for the six months ended 31 December 2010
- Revenue has improved by HK\$31.6 million compared with the same period of the previous financial year to HK\$301.7 million
- Other income amounted to HK\$14.1 million which was HK\$3.7 million lower than in the same period of the previous financial year, primarily due to non-recurrence of the one-off gains of non-core equity technology investments
- A total of HK\$60.8 million for the gain on disposal of two floors in Kodak House II and its related tax effect recorded in the 2009/10 financial year did not recur
- Profit from operations increased to HK\$151.6 million, an improvement of HK\$19.9 million over the same period of the 2009/10 financial year
- The Group's financial position remains strong, with approximately HK\$1,160 million in cash and interest-bearing securities on hand

	Jul to Dec 2010 <i>HK\$'M</i>	Jul to Dec 2009 <i>HK\$'M</i>
Revenue	<u>301.7</u>	<u>270.1</u>
Gross profit <i>- as a % of revenue</i>	156.5 52%	130.1 48%
Other income	14.1	17.9
Operating expenditures *	<u>(19.0)</u>	<u>(16.3)</u>
Profit from operations	151.6	131.7
Gain on disposal of investment properties	<u>-</u>	<u>40.7</u>
Profit before taxation	151.6	172.4
Taxation for the period	(22.8)	(18.4)
Deferred tax credit released upon disposal of investment properties	<u>-</u>	<u>20.1</u>
Profit attributable to the owners of the Company	<u>128.8</u>	<u>174.1</u>

* Selling, general and administrative expenses

CHAIRMAN'S STATEMENT

SUNeVision achieved a profit attributable to the owners of the Company of HK\$128.8 million for the six months ended 31 December 2010.

As announced on 25 November 2010, the Group has successfully completed the bonus issue of shares with a convertible note option, resulting in a new public float in excess of 26% and fulfilling the new minimum public float requirement of 25%.

Largely driven by the contributions from the Group's data centre business, revenue for the period improved to HK\$301.7 million, reflecting an increase of HK\$31.6 million when compared with the same period of the previous financial year. Gross margin was maintained at the same level of 52% as in the first quarter, translating into gross profit of HK\$156.5 million for the reporting period.

Other income, being income in addition to revenue from operations, amounted to HK\$14.1 million which was HK\$3.7 million lower than in the same period of the previous financial year, primarily due to non-recurrence of the one-off gains on disposals of non-core equity technology investments recorded in the first quarter of financial year 2009/10.

The Group's operating expenditures for the reporting period increased moderately to HK\$19.0 million, including expenses incurred for the corporate exercise completed in November 2010 referred to above.

Reflecting stable revenues and effective cost management, profit from operations increased to HK\$151.6 million, an improvement of HK\$19.9 million over the same period of the 2009/10 financial year.

After allowing for taxation, profit attributable to the owners of the Company was HK\$128.8 million; this compares to HK\$174.1 million in the same period of the previous financial year when the Group recorded a total of HK\$60.8 million for the gain on disposal of two floors in Kodak House II and its related tax effect.

The Group's financial position remains strong, with approximately HK\$1,160 million in cash and interest-bearing securities on hand.

iAdvantage gained new businesses and successfully renewed its existing relationships with multinational and local customers. Overall data centre occupancy rate stood at 80% at the period end. Other Group businesses continued to deliver quality services to their customers.

In the second half of the financial year, in addition to raising the occupancy of its existing data centres, iAdvantage will continue its pursuit of growth and will actively evaluate investment opportunities in data centres. iAdvantage will further invest in data centre facilities and services to meet customers' needs and market demand. The last-mile connectivity businesses will carry on leveraging the parent company's significant relationships.

I would like to close by thanking the Board, management, and every member of the dedicated staff for their hard work, and our shareholders for their continued confidence and support.

Kwok Ping-luen, Raymond
Chairman

Hong Kong, 11 February 2011

CHIEF EXECUTIVE OFFICER'S REPORT

Overview

SUNeVision reported its unaudited results for the six months ended 31 December 2010 with a profit attributable to the owners of the Company of HK\$128.8 million, representing a decrease of HK\$45.3 million over the corresponding period of the previous financial year.

The Group continued to improve in operating profitability. However, non-recurrence of the HK\$60.8 million one-time gain and related tax credits on disposal of two floors of Kodak House II in the same period of the previous financial year has the effects of more than offsetting these improvements in operations in financial terms.

Business Review

iAdvantage

iAdvantage's carrier neutral position continues to be well received by its customers, it has excelled in providing quality and professional services to meet its customers' needs.

As a major data centre operator in Hong Kong and in addition to fully committing to the stringent technical and service requirements of its customers, iAdvantage has continued to invest in data centre infrastructure and facilities, and has progressed well in preparing the new site in Shatin to serve new demands. The overall occupancy rate of our data centres was 80% as at the period end.

Having solid experience and proven track records in serving customers in the financial services, telecommunications, information technology and public administration sectors, iAdvantage is well positioned to attract and capture new demands from high quality customers for data centre facilities and services.

Super e-Technology

During the reporting period, Super e-Technology secured contracts with a combined worth of HK\$10.7 million for the design and installation of security surveillance, structured cabling, and SMATV systems at major residential and commercial developments. It also achieved further rollout of its Super e-Shooter systems in shopping malls.

Super e-Technology will continue to be actively engaged in competitive tendering for upcoming residential and commercial projects.

Super e-Network

Super e-Network continued to provide quality broadband and WIFI services to its customers. It has been coordinating with broadband service providers and network traffic management providers with a view to improving its services and offering cost-effective solutions to its customers.

Super e-Network will further explore new opportunities and bid for new projects to expand the broadband deployment and WIFI services to different sectors.

Investment

The Group has maintained a prudent and conservative approach to investments. Funds will only be committed where returns can be reasonably expected and are justifiably attractive.

Other Financial Discussion and Analysis

The Group practices prudent financial management and has a strong balance sheet, with ample liquidity and financial resources. The Group had cash and interest-bearing securities of approximately HK\$1,160 million. The Group had no gearing (calculated on the basis of net debt to shareholders' funds) as at the period end.

As of 31 December 2010, the Company had contingent liabilities in respect of guarantees for general banking facilities utilized by group subsidiaries and other guarantees in the aggregate amount of HK\$63 million.

The Group's core operations are based in Hong Kong and its assets are primarily in Hong Kong or US dollars. It had no significant exposure to foreign exchange rate fluctuations. As of 31 December 2010, the Group had not pledged any of its assets, and there were no material acquisitions or disposals of subsidiaries or affiliated companies during the period under review.

There have been no material changes in the composition of the Group's equity technology investment portfolio since 30 June 2010.

Employees

As of 31 December 2010, the Group had 193 full-time employees. The Group is keen to motivate and retain talent and continues to offer career progression opportunities and hold periodical reviews on compensation to recognise employees' contributions and to respond to changes in the employment market. Payroll costs remained stable during the period, and bonuses were paid to selected employees to recognise outstanding performance. Other remuneration and benefits, including medical coverage and provident fund contributions, remained at appropriate levels. Various training and development opportunities were offered to enhance employees' capabilities. The Group also offers a share-option scheme to recognise employees who make significant contributions.

I would like to close by thanking the members of the Board for their guidance, every member of the dedicated staff for their commitment and hard work, and our shareholders for their confidence and support.

Tsim Wing-kit, Alfred
Chief Executive Officer

Hong Kong, 11 February 2011

CONSOLIDATED INCOME STATEMENT
For the three and six months ended 31 December 2010

	NOTES	(Unaudited)		(Unaudited)	
		Three months ended 31 December		Six months ended 31 December	
		2010	2009	2010	2009
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue		154,552	136,229	301,747	270,112
Cost of sales		(74,759)	(69,913)	(145,277)	(139,969)
Gross profit		79,793	66,316	156,470	130,143
Other income	3	7,186	6,211	14,128	17,881
Selling expenses		(1,342)	(1,341)	(2,766)	(2,534)
Administrative expenses		(9,484)	(6,887)	(16,206)	(13,806)
		76,153	64,299	151,626	131,684
Gain on disposal of investment properties		-	40,722	-	40,722
Profit before taxation		76,153	105,021	151,626	172,406
Income tax (expense) credit	4	(12,057)	10,694	(22,865)	1,709
Profit for the period	5	64,096	115,715	128,761	174,115
Profit attributable to the owners of the Company		64,096	115,715	128,761	174,115
Earnings per share	6				
– Basic (<i>Remark</i>)		1.58 cents	2.85 cents	3.17 cents	4.29 cents

Remark

The calculation of basic earnings per share is based on 4,062,967,666 ordinary shares deemed to be in issue at the beginning of the relevant periods assuming that the issuance of bonus shares (with convertible notes alternative) has been effective.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three and six months ended 31 December 2010

	(Unaudited)		(Unaudited)	
	Three months ended 31 December		Six months ended 31 December	
	2010	2009	2010	2009
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Profit for the period	64,096	115,715	128,761	174,115
Other comprehensive income for the period (net of tax)				
Change in fair value of investments	(4,346)	22,313	10,211	35,127
Exchange differences arising from translation of operations outside Hong Kong	112	10	211	12
Reclassification adjustments:				
Release upon disposal of debt securities / equity technology investments	(872)	(275)	(872)	(7,442)
Property revaluation reserve released upon disposal	-	(98)	-	(98)
	(5,106)	21,950	9,550	27,599
Total comprehensive income for the period	58,990	137,665	138,311	201,714
Total comprehensive income attributable to:				
Owners of the Company	58,817	137,655	137,996	201,693
Non-controlling interests	173	10	315	21
	58,990	137,665	138,311	201,714

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 December 2010

	NOTES	(Unaudited) 31 December 2010 HK\$'000	(Audited) 30 June 2010 HK\$'000
NON-CURRENT ASSETS			
Investment properties		781,000	781,000
Property, plant and equipment	7	1,159,683	1,162,409
Investments	8	301,672	354,162
		2,242,355	2,297,571
CURRENT ASSETS			
Investments	8	30,829	-
Inventories		10,563	4,243
Trade and other receivables	9	56,742	57,335
Amounts due from customers for contract work		10,109	11,458
Bank balances and deposits		851,652	781,074
		959,895	854,110
CURRENT LIABILITIES			
Trade and other payables	10	221,268	220,341
Deferred revenue	11	39,239	33,069
Amounts due to customers for contract work		2,212	169
Tax payables		41,530	24,418
		304,249	277,997
NET CURRENT ASSETS			
		655,646	576,113
TOTAL ASSETS LESS CURRENT LIABILITIES			
		2,898,001	2,873,684
NON-CURRENT LIABILITIES			
Deferred tax liabilities		118,231	116,865
Deferred revenue	11	179,332	132,173
		297,563	249,038
		2,600,438	2,624,646
CAPITAL AND RESERVES			
Share capital	12	234,267	203,148
Reserve arising from issuance of convertible notes	12	172,029	-
Other reserves		2,180,949	2,408,620
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			
NON-CONTROLLING INTERESTS			
		13,193	12,878
TOTAL EQUITY			
		2,600,438	2,624,646

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 31 December 2010

	2010								
	Share capital HK\$'000	Share premium HK\$'000	Reserve arising from issuance of convertible notes HK\$'000 (Note)	Exchange reserve HK\$'000	Investments revaluation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 July 2010	203,148	2,536,033	-	1,848	32,204	(161,465)	2,611,768	12,878	2,624,646
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	(104)	-	-	(104)	315	211
Profit for the period	-	-	-	-	-	128,761	128,761	-	128,761
Change in fair value of investments	-	-	-	-	10,211	-	10,211	-	10,211
Release upon disposal of investments	-	-	-	-	(872)	-	(872)	-	(872)
Total comprehensive (expense) income for the period	-	-	-	(104)	9,339	128,761	137,996	315	138,311
Bonus issue of shares (with convertible notes alternative)	31,119	(203,148)	172,029	-	-	-	-	-	-
Final dividend paid	-	-	-	-	-	(162,519)	(162,519)	-	(162,519)
At 31 December 2010	234,267	2,332,885	172,029	1,744	41,543	(195,223)	2,587,245	13,193	2,600,438

	2009									
	Share capital HK\$'000	Share premium HK\$'000	Property revaluation reserve HK\$'000	Exchange reserve HK\$'000	Investments revaluation reserve HK\$'000	Share-based payment transactions reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 July 2009	203,148	2,536,033	98	1,880	18,557	310	(400,180)	2,359,846	12,750	2,372,596
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	(9)	-	-	-	(9)	21	12
Profit for the period	-	-	-	-	-	-	174,115	174,115	-	174,115
Change in fair value of investments	-	-	-	-	35,127	-	-	35,127	-	35,127
Release upon disposal of investments	-	-	-	-	(7,442)	-	-	(7,442)	-	(7,442)
Release upon disposal of properties	-	-	(98)	-	-	-	-	(98)	-	(98)
Total comprehensive (expense) income for the period	-	-	(98)	(9)	27,685	-	174,115	201,693	21	201,714
Cancellation of share options	-	-	-	-	-	(310)	310	-	-	-
Final dividend paid	-	-	-	-	-	-	(121,889)	(121,889)	-	(121,889)
At 31 December 2009	203,148	2,536,033	-	1,871	46,242	-	(347,644)	2,439,650	12,771	2,452,421

Note:

Pursuant to an ordinary resolution in relation to the bonus issue of shares (with convertible notes alternative) passed at the extraordinary general meeting of the Company held on 1 November 2010, bonus shares were issued on the basis of one bonus share for every existing share held by the shareholders of the Company whose names appeared on the register of members of the Company on that date.

Reserve arising from issuance of convertible notes was then capitalised from the Company's share premium account for the purpose of issue of new shares upon conversion of the convertible notes ("Notes") which were constituted by the Deed Poll dated 25 November 2010. This reserve balance represented the aggregate amount of the Notes outstanding at the period end. There was no conversion to shares by the noteholders during the period from 25 November to 31 December 2010.

The Notes are unlisted, non-transferable and irredeemable but have conversion rights entitling the noteholders to convert into an equivalent number of shares as the number of bonus shares which the noteholders would otherwise be entitled to receive under the bonus issue had the shareholder not elected for the convertible notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 31 December 2010

	(Unaudited)	
	Six months ended	
	31 December	
	2010	2009
	HK\$'000	HK\$'000
Net cash from operating activities	227,804	177,187
Net cash from (used in) investing activities	5,159	(22,738)
Net cash used in financing activities	(162,519)	(121,889)
	-----	-----
Net increase in cash and cash equivalents	70,444	32,560
Cash and cash equivalents at 1 July	781,074	549,011
Effect of foreign exchange rate changes	134	9
	-----	-----
Cash and cash equivalents at 31 December	851,652	581,580
	=====	=====

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Basis of Preparation

The interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and with the applicable disclosure requirements of Chapter 18 to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. The principal accounting policies used in the interim financial statements are consistent with those followed in the preparation of the Group’s financial statements for the year ended 30 June 2010. The financial statements are unaudited but have been reviewed by the Audit Committee.

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards. For those which are effective for accounting periods beginning on 1 July 2010, the adoption has no material impact on the reported results and the financial position of the Group for the current or prior accounting periods; and for those which are not yet effective, the Group is in the process of assessing their impact on the Group’s results and financial position.

2. Segment Information

The principal activities of the operating segments of the Group are as follows:

Data centre and IT facilities cover the provision of data centre, facilities management, web applications and value added services.

Satellite master antenna television system (“SMATV”), communal aerial broadcast distribution (“CABD”), structural cabling and security systems comprise installation and maintenance services for the respective systems.

Properties holding refers to the Group’s interests in investment properties which generate rental and other related income.

Segment revenue and results

The following is an analysis of the Group’s revenue and results by reportable segments:

For the six months ended 31 December 2010

	Data centre and IT facilities HK\$'000	SMATV, CABD, structural cabling and security systems HK\$'000	Properties holding HK\$'000	Elimination HK\$'000	Consolidated HK\$'000
REVENUE					
External	234,464	46,810	20,473	-	301,747
Inter-segment	1,159	754	1,067	(2,980)	-
Total	235,623	47,564	21,540	(2,980)	301,747
	=====	=====	=====	=====	=====
RESULTS					
Segment results	120,299	9,574	16,286	-	146,159
	=====	=====	=====	=====	
Unallocated corporate expenses					(8,319)
Interest income					12,564
Gain on disposal of debt securities and investment income					1,222
Profit before taxation					151,626
					=====

2. Segment Information (continued)

For the six months ended 31 December 2009

	Data centre and IT facilities HK\$'000	SMATV, CABD, structural cabling and security systems HK\$'000	Properties holding HK\$'000	Elimination HK\$'000	Consolidated HK\$'000
REVENUE					
External	200,046	49,804	20,262	-	270,112
Inter-segment	1,589	781	1,067	(3,437)	-
Total	201,635	50,585	21,329	(3,437)	270,112
	=====	=====	=====	=====	=====
RESULTS					
Segment results	95,282	9,694	56,439	-	161,415
	=====	=====	=====	=====	
Unallocated corporate expenses					(5,994)
Interest income					9,564
Gain on disposal of equity technology investments					7,421
Profit before taxation					172,406
					=====

Segment profit represents the profit earned by each segment without allocation of central administration costs, directors' emoluments, interest income, investment income and gain on disposal of debt securities / equity technology investments. This is the measure reported to the chief operating decision makers for the purpose of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

3. Other Income

	Six months ended 31 December	
	2010 HK\$'000	2009 HK\$'000
Interest income	12,564	9,564
Gain on disposal of debt securities / equity technology investments and investment income	1,222	7,421
Miscellaneous	342	896
	=====	=====
	14,128	17,881
	=====	=====

4. Income Tax Expense (Credit)

	Six months ended 31 December	
	2010	2009
	HK\$'000	HK\$'000
Current tax		
- Hong Kong Profits Tax	21,078	7,338
- PRC Enterprise Income Tax	421	-
Deferred tax expense relating to origination and reversal of temporary differences	1,366	11,014
	<u>22,865</u>	<u>18,352</u>
Deferred tax credit released upon disposal of investment properties	-	(20,061)
	<u>22,865</u>	<u>(1,709)</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the period. Under the Law of the People's Republic of China ("PRC") on Enterprises Income Tax ("EIT Law") and the Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

5. Profit for the Period

	Six months ended 31 December	
	2010	2009
	HK\$'000	HK\$'000
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	46,234	44,358

6. Earnings Per Share

The calculation of the basic earnings per share is based on the unaudited profit attributable to the owners of the Company for the three months and six months ended 31 December 2010 of HK\$64,096,000 and HK\$128,761,000 (three months and six months ended 31 December 2009: HK\$115,715,000 and HK\$174,115,000) and 4,062,967,666 ordinary shares deemed to be in issue at the beginning of the relevant periods assuming that the issuance of bonus shares (with convertible notes alternative) at one bonus share for every existing ordinary share held by capitalizing the Company's share premium account has been effective. The comparative figures for 2009 have been adjusted accordingly.

There were no dilutive potential ordinary shares in existence during the three months and six months ended 31 December 2010. No diluted earnings per share was presented for the three months and six months ended 31 December 2009 as the exercise price of the Company's share options was higher than the average market price of the shares of the Company during the periods.

7. Property, Plant and Equipment

During the period, additions to fixed assets amounted to HK\$43,386,000.

8. Investments

	31 December 2010 HK\$'000	30 June 2010 HK\$'000
Available-for-sale investments:		
Debt securities	308,638	330,069
Equity technology investments	23,863	24,093
	<u>332,501</u>	<u>354,162</u>
	=====	=====
Carrying amount analysed for reporting purposes as:		
Non-current	301,672	354,162
Current (debt securities maturing within one year)	30,829	-
	<u>332,501</u>	<u>354,162</u>
	=====	=====

9. Trade and Other Receivables

Included in trade and other receivables are trade receivables of HK\$37,997,000 (as at 30 June 2010: HK\$36,599,000), of which 95% aged less than 60 days, 3% between 61 to 90 days and 2% more than 90 days (as at 30 June 2010: 97%, 2% and 1% respectively).

The Group allows an average credit period of 30 days to its trade customers.

10. Trade and Other Payables

	31 December 2010 HK\$'000	30 June 2010 HK\$'000
Trade payable aged within 60 days	25,568	29,356
Trade payable aged over 60 days	206	393
	<u>25,774</u>	<u>29,749</u>
Other payables	2,722	3,127
Deposits received and accruals	192,772	187,465
	<u>221,268</u>	<u>220,341</u>
	=====	=====

11. Deferred Revenue

Lump sum amounts for the set-up of facilities in respect of operating leases of data centre and IT facilities are treated as deferred revenue which is taken to profit or loss over the lease terms.

12. Share Capital

	Number of ordinary shares	Amount HK\$'000
Ordinary shares of HK\$0.1 each		
Authorised:		
At 1 July 2009, 30 June 2010 and 31 December 2010	<u>10,000,000,000</u>	<u>1,000,000</u>
Issued and fully paid:		
At 1 July 2009 and 30 June 2010	2,031,483,833	203,148
Bonus issue of shares by capitalisation of the share premium account	<u>311,191,645</u>	<u>31,119</u>
At 31 December 2010	<u>2,342,675,478</u>	<u>234,267</u>

Pursuant to the ordinary resolution in relation to the bonus issue of shares (with convertible notes alternative) passed at the extraordinary general meeting of the Company held on 1 November 2010, 311,191,645 bonus shares of HK\$0.1 each were issued on 25 November 2010 to the shareholders who were entitled to those bonus shares and did not elect to receive the convertible notes.

Convertible notes in the amount of HK\$172,029,218.80 were issued to shareholders who elected for the convertible note alternative, and the same amount was capitalised from the Company's share premium account as reserve arising from issuance of convertible notes. Holders of the convertible notes are entitled to convert into an equivalent number of shares as the number of bonus shares which the noteholders would otherwise be entitled to receive under the bonus issue.

	Number of fully paid ordinary shares to be <u>issued upon conversion</u>	Amount as at <u>31 December 2010</u> HK\$'000
Reserve arising from issuance of convertible notes	<u>1,720,292,188</u>	<u>172,029</u>

Upon conversion of all the outstanding Notes, the issued share capital of the Company would consist of 4,062,967,666 fully paid ordinary shares of HK\$0.1 each.

13. Related Party Transactions

During the period, the Group had significant transactions with certain related parties as follows:

(A) Transactions with Sun Hung Kai Properties Group

	Six months ended	
	31 December	
	2010	2009
	HK\$'000	HK\$'000
Advertising and e-commerce income	356	693
Income from installation, operation and provision of cable networking	21,768	23,532
Income from maintenance and repair of network infrastructure and security systems	22,361	23,364
Non-core value added service income	244	325
Space and rack rental income	1,284	1,255
Cable and network rental charges	398	398
Estate agency fees paid	537	527
Insurance service charges paid	676	672
Maintenance and repair charges of network infrastructure and security systems	1,078	882
Management fee charges	1,000	1,000
Network infrastructure and security systems installation charges	998	1,246
Property management service fees paid	3,953	4,008
Rent paid	5,039	3,422
Technical service charge paid	505	635
	=====	=====

(B) Transaction with a director

During the period, professional fees of HK\$1,868,000 (2009: HK\$90,000) were paid and payable by the Group to Messrs. Woo, Kwan, Lee & Lo, a firm of solicitors which provided day to day professional services to the Group. Mr. Cheung Wing Yui, a director of the Company, is a consultant of Messrs. Woo, Kwan, Lee & Lo.

(C) Compensation of key management personnel

Fees, salaries and other benefits paid and payable by the Group to the key management personnel during the period amounted to HK\$1,901,000 (2009: HK\$1,634,000).

14. Capital Commitments

	31 December 2010	30 June 2010
	HK\$'000	HK\$'000
Contracted for but not provided in the consolidated financial statements in respect of acquisition of plant and equipment	49,637	48,599
	=====	=====

15. Contingent Liabilities

As at 31 December 2010, the Company had contingent liabilities in respect of guarantees for general banking facilities utilized by group subsidiaries and other performance guarantees in the aggregate of HK\$63 million (as at 30 June 2010: HK\$85 million).

DIVIDEND

The board of Directors (the “Board”) does not recommend the payment of an interim dividend for the six months ended 31 December 2010 (2009: Nil).

DIRECTORS' INTERESTS

As at 31 December 2010, the interests of Directors and chief executive of the Company in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

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

Name of Director	Number of shares held			Total	Number of underlying shares held under equity derivatives	Total	% of shares in issue as at 31.12.2010
	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Other interests				
Kwok Ping-luen, Raymond	-	-	3,485,000 ¹	3,485,000	-	3,485,000	0.15
Kwok Ping-kwong, Thomas	-	-	2,140,000 ¹	2,140,000	-	2,140,000	0.09
So Chung-keung, Alfred	-	1,086	-	1,086	-	1,086	0
King Yeo-chi, Ambrose	1,000	-	-	1,000	-	1,000	0

Notes :

1. Of these shares in the Company, Messrs. Kwok Ping-luen, Raymond and Kwok Ping-kwong, Thomas were deemed to be interested in 2,140,000 shares of the Company by virtue of being beneficiaries of a certain discretionary trust, which represented the same interests and were therefore duplicated amongst these two Directors for the purpose of Part XV of the SFO.
2. By letter dated 19 April 2010, Mr. Kwok Ping-sheung, Walter requested the Company to add this note: “Mr. Kwok Ping-sheung, Walter has informed the Company that he disputes the cessation of his interest in 1,070,000 shares in the Company as disclosed in the disclosure form under Part XV of the SFO dated 23 September, 2009 which was made without his authorization”.
3. Prior to the letter dated 19 April 2010 referred to in Note 2 above, Mr. Kwok Ping-sheung, Walter had twice confirmed in writing to the Company, for the purposes of the 2009-10 First Quarterly Report and the 2009-10 Half-year Report, the cessation of his interest in 1,070,000 shares in the Company.
4. By letter dated 25 October 2010, Mr. Kwok Ping-sheung, Walter reiterated to the Company that his “beneficial interests in the SHKP (including the cessation of the questioned 11,743,800 shares on 23 September 2009 and the additional acquisition of the questioned 4,316,181 shares on 26 April 2010) and SUNeVision shares are still under dispute”.

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

(a) Sun Hung Kai Properties Limited (“SHKP”)

Name of Director	Number of shares held				Total	Number of underlying shares held under equity derivatives	Total	% of shares in issue as at 31.12.2010
	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Corporate interests (interests of controlled corporation)	Other interests				
Kwok Ping-luen, Raymond	75,000	-	-	394,463,978 ¹	394,538,978	100,000 ³	394,638,978	15.36
Kwok Ping-kwong, Thomas	1,976,281	304,065	-	391,320,297 ¹	393,600,643	148,000 ³	393,748,643	15.32
Tung Chi-ho	-	-	-	-	-	80,000 ³	80,000	0
Wong Chin-wah	-	-	-	-	-	80,000 ³	80,000	0
So Wai-kei, Godwin	-	-	-	-	-	24,000 ³	24,000	0
Kwok Ping-sheung, Walter	75,000	-	-	1,087,663,522	1,087,738,522	-	1,087,738,522 ^{4&6}	42.32
Chan Kui-yuen, Thomas	-	66,000	126,500 ⁷	-	192,500	100,000 ³	292,500	0.01
So Chung-keung, Alfred	191,313	6,500	-	-	197,813	80,000 ³	277,813	0.01
Siu Hon-wah, Thomas	-	-	-	7,000 ⁸	7,000	-	7,000	0

Notes :

- Each of Mr. Kwok Ping-kwong, Thomas and Mr. Kwok Ping-luen, Raymond was deemed to be interested in 371,286,430 shares in SHKP respectively by virtue of his being a beneficiary of certain discretionary trusts for the purpose of Part XV of the SFO. Of the respective 371,286,430 shares in SHKP in which each of Mr. Kwok Ping-kwong, Thomas and Mr. Kwok Ping-luen, Raymond was deemed to be interested, 16,059,981 shares represented the same interests and were duplicated between these two directors.
- The trustee of certain trusts, which indirectly are interested in a total of 1,081,739,328 shares in SHKP, informed the Company on 2 November 2010 that consequent upon a re-organisation of such trusts, the “interests” as deemed under the provisions of the SFO of the various Kwok family members who are directors of SHKP in the said 1,081,739,328 shares in SHKP with effect from 29 September 2010 were as follows:
 - Madam Kwong Siu Hing continues to be interested in all the said 1,081,739,328 shares in SHKP;
 - Each of Mr Kwok Ping Kwong Thomas and Mr Kwok Ping Luen Raymond is interested in 371,286,430 shares out of the said 1,081,739,328 shares in SHKP; and
 - Mr Kwok Ping Sheung Walter is not interested in any of the said 1,081,739,328 shares in SHKP.”
- These represented the interests in the underlying shares of SHKP in respect of the share options (being regarded for the time being as unlisted and physically settled equity derivatives) granted by SHKP under its share option scheme. The outstanding options granted by SHKP to the Directors of the Company under the scheme as at 31 December 2010 were as follows:

Name of Director	Date of grant	Exercise price per share HK\$	Number of share options				
			Balance as at 01.07.2010	Granted during the period	Exercised during the period	Cancelled/Lapsed during the period	Balance as at 31.12.2010
Kwok Ping-luen, Raymond	12.07.2010	111.40	N/A	100,000	-	-	100,000
Kwok Ping-kwong, Thomas	12.07.2010	111.40	N/A	148,000*	-	-	148,000
Tung Chi-ho	12.07.2010	111.40	N/A	80,000	-	-	80,000
Wong Chin-wah	12.07.2010	111.40	N/A	80,000	-	-	80,000
So Wai-kei, Godwin	12.07.2010	111.40	N/A	24,000	-	-	24,000
Chan Kui-yuen, Thomas	12.07.2010	111.40	N/A	100,000	-	-	100,000
So Chung-keung, Alfred	12.07.2010	111.40	N/A	80,000	-	-	80,000

* Of these 148,000 shares options, Mr. Kwok Ping-kwong, Thomas was deemed to be interested in 48,000 share options by virtue of his wife’s interests in such share options.

The above-mentioned share options of SHKP may be exercised during the option period (the “Option Period”, which is five years commencing on 12 July 2010) as follows:

- the options are not exercisable during the first year of the Option Period;
- up to 30% of the grant is exercisable during the second year of the Option Period;
- up to 60% of the grant is exercisable during the third year of the Option Period; and
- the options are exercisable in whole or in part any time three years after 12 July 2010.

The options will expire at the close of business on 11 July 2015.

4. By letter dated 19 April 2010, Mr. Kwok Ping-sheung, Walter requested the Company to add this note: "Mr. Kwok Ping-sheung, Walter has informed the Company that he disputes the cessation of his interest in 11,743,800 shares in Sun Hung Kai Properties Limited as disclosed in the disclosure form under Part XV of the SFO dated 23 September, 2009 which was made without his authorization".
5. Prior to the letter dated 19 April 2010 referred to in Note 4 above, Mr. Kwok Ping-sheung, Walter had twice confirmed in writing to the Company, for the purposes of the 2009-10 First Quarterly Report and the 2009-10 Half-year Report, the cessation of his interest in 11,743,800 shares in SHKP.
6. By letter dated 25 October 2010, Mr. Kwok Ping-sheung, Walter reiterated to the Company that his "beneficial interests in the SHKP (including the cessation of the questioned 11,743,800 shares on 23 September 2009 and the additional acquisition of the questioned 4,316,181 shares on 26 April 2010) and SUNeVision shares are still under dispute".
7. These shares were held by a company which is obliged to act in accordance with the instructions of Mr. Chan Kui-yuen, Thomas.
8. These shares were jointly held by Mr. Siu Hon-wah, Thomas and his spouse.

(b) SmarTone Telecommunications Holdings Limited ("SmarTone")

Name of Director	Number of shares held			Number of underlying shares held under equity derivatives	Total	% of shares in issue as at 31.12.2010
	Family interests (interests of spouse or child under 18)	Other interests	Total			
Kwok Ping-luen, Raymond	-	2,237,767 ¹	2,237,767	-	2,237,767	0.43
Li On-kwok, Victor	5,000	-	5,000	-	5,000	0

Note :

1. Mr. Kwok Ping-luen, Raymond was deemed to be interested in these shares in SmarTone by virtue of being a beneficiary of a certain discretionary trust for the purpose of Part XV of the SFO.

(c) Each of Messrs. Kwok Ping-luen, Raymond and Kwok Ping-kwong, Thomas had the following interests in shares of the following associated corporations of the Company:

Name of associated corporation	Attributable holding through corporation	Attributable % of shares in issue through corporation as at 31.12.2010	Actual holding through corporation	Actual % interests in issued shares as at 31.12.2010
Splendid Kai Limited	2,500	25	1,500 ¹	15
Hung Carom Company Limited	25	25	15 ¹	15
Tinyau Company Limited	1	50	1 ¹	50
Open Step Limited	8	80	4 ¹	40

Note :

1. Messrs. Kwok Ping-luen, Raymond and Kwok Ping-kwong, Thomas were deemed to be interested in these shares, which represented the same interests and were therefore duplicated amongst these two Directors for the purpose of Part XV of the SFO. These shares were held by corporations under a certain discretionary trust, in which Messrs. Kwok Ping-luen, Raymond and Kwok Ping-kwong, Thomas were deemed to be interested by virtue of being beneficiaries for the purpose of Part XV of the SFO.

Save as disclosed above, as at 31 December 2010, none of the Directors or chief executive of the Company had any interest or short positions in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

SHARE OPTION SCHEMES

1. Share Option Schemes of the Company

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

(A) Old Share Option Scheme

Since the adoption of the Old Share Option Scheme, the Company had granted four lots of share options, of which the options at the exercise prices of HK\$10.38 per share, HK\$3.885 per share, HK\$2.34 per share and HK\$1.43 per share, expired at the close of business on 30 December 2005, 14 November 2006, 19 March 2007 and 7 July 2008 respectively. No further options may be offered under the Old Share Option Scheme.

(B) New Share Option Scheme

Since the adoption of the New Share Option Scheme, the Company had granted two lots of share options of which the options at the exercise price of HK\$1.41 per share and HK\$1.59 per share expired at the close of business on 9 November 2008 and 28 November 2009 respectively.

During the six months ended 31 December 2010, no share options were granted under the New Share Option Scheme.

2. Share Option Scheme of iAdvantage Limited ("iAdvantage")

In addition to the Old Share Option Scheme and the New Share Option Scheme, the Group operates another share option scheme which was approved for iAdvantage, a wholly-owned subsidiary of the Company, allowing the Board the right to grant to the full-time employees and executive directors of iAdvantage or any of its subsidiaries options to subscribe for shares of iAdvantage in aggregate up to 10% of its issued capital from time to time (the "iAdvantage Share Option Scheme"). The exercise period of any options granted under the iAdvantage Share Option Scheme shall commence on the date of grant of the option and expire on such date as determined by the board of directors of iAdvantage or 28 February 2010, whichever is the earlier, and subject to the provisions for early termination contained therein.

The Share Option Scheme of iAdvantage expired on 28 February 2010.

3. Arrangement to purchase shares or debentures

Other than the Schemes as mentioned above, at no time during the six months ended 31 December 2010 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 December 2010, the interest of the persons, other than Directors or chief executive of the Company, in the shares and underlying shares of the Company which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO, or otherwise notified to the Company were as follows:

Name	Number of shares held	Number of underlying shares held under equity derivatives	Total	% of shares in issue as at 31.12.2010
Sunco Resources Limited ¹ ("Sunco")	1,719,427,500	1,719,427,500 ²	3,438,855,000	146.79
SHKP ³	1,719,427,500	1,719,427,500 ²	3,438,855,000	146.79
HSBC Trustee (C.I.) Limited ⁴ ("HSBCTCI")	1,720,497,500	1,719,427,500 ²	3,439,925,000	146.83

Notes:

1. Sunco is the beneficial owner of the 1,719,427,500 shares of the Company and the derivative interests referred to in Note 2 below.
2. These represented the interests in the underlying shares of the Company in respect of the Convertible Notes (being regarded for the time being as unlisted, non-transferable, irredeemable and physically settled equity derivatives) in the amount of HK\$171,942,750 convertible into 1,719,427,500 shares of the Company 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 exercising of the conversion rights attaching to the Convertible Notes.
3. As Sunco is a wholly-owned subsidiary of SHKP, SHKP is deemed to have interest in the 3,438,855,000 shares of the Company (including 1,719,427,500 underlying shares referred to in Note 2 above) held by Sunco for the purpose of Part XV of the SFO.
4. As HSBCTCI is entitled to control the exercise of one-third or more of the voting power at general meetings of SHKP, HSBCTCI is deemed to have interest in the 3,438,855,000 shares of the Company (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.

Save as disclosed above, as at 31 December 2010, the Company had not been notified by any persons (other than Directors or chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

INTERESTS OF OTHER PERSONS

During the six months ended 31 December 2010, other than the interests in shares and underlying shares of the Company and its associated corporations held by the Directors, the chief executive and the substantial shareholders of the Company stated above, there were no other persons with interests recorded in the register required to be kept under Section 336 of the SFO.

INTERESTS IN COMPETING BUSINESS

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

Save as disclosed in this section, none of the Directors or the management 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 Group.

AUDIT COMMITTEE

The Audit Committee has four members comprising three Independent Non-Executive Directors, Mr. Wong Kai-man (Chairman of the Committee), Professor Li On-kwok, Victor and Professor King Yeo-chi, Ambrose and one Non-Executive Director, Mr. Cheung Wing-yui, with terms of reference in compliance with the GEM Listing Rules. The Audit Committee has reviewed the half-year results for the six months ended 31 December 2010 and has provided advice and comments thereon.

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

During the six months ended 31 December 2010, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

COMPLIANCE WITH THE REQUIRED STANDARD FOR DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company adopted the required standard of dealings set out in the GEM Listing Rules 5.48 to 5.67 as the code of conduct regarding Directors' securities transactions in securities of the Company. Upon the Company's specific enquiry, each Director has confirmed that during the six months ended 31 December 2010, he has complied with the required standard of dealings.

CODE ON CORPORATE GOVERNANCE PRACTICES

Throughout the six months ended 31 December 2010, the Company has complied with the code provisions in the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules.

On behalf of the Board

Kwok Ping-luen, Raymond

Chairman

Hong Kong, 11 February 2011

As at the date of this announcement, the Board of the Company comprises six Executive Directors, being KWOK Ping-luen, Raymond, KWOK Ping-sheung, Walter, TSIM Wing-kit, Alfred, TUNG Chi-ho, Eric, WONG Chin-wah and SO Wai-kei, Godwin; five Non-Executive Directors, being KWOK Ping-kwong, Thomas, CHEUNG Wing-yui, SIU Hon-wah, Thomas, CHAN Kui-yuen, Thomas and SO Chung-keung, Alfred; and three Independent Non-Executive Directors, being LI On-kwok, Victor, KING Yeo-chi, Ambrose and WONG Kai-man.

This announcement 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.