



SUNeVision Holdings Ltd.
新意網集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 8008

2011-2012
Third Quarterly Report
第三季度業績報告

Results for the nine months ended 31 March 2012
截至2012年3月31日止九個月業績

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This report, 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 (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 report 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 report misleading.

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If (i) registered shareholders/noteholders who have received or chosen to receive a printed copy of this report 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 report by electronic means wish to receive a printed copy, or who for any reason have difficulty in receiving or gaining access to this report 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).

Highlights

- SUNeVision achieved a profit attributable to the owners of the Company of HK\$234.5 million for the nine months ended 31 March 2012
- The Group's revenue increased to HK\$528.2 million for the reporting period, reflecting an improvement of HK\$63.3 million when compared with the same period of the previous financial year
- Gross margin for the reporting period was at approximately 53%, which translates into gross profit of HK\$279.0 million
- Other income, being income in addition to revenue from operations, amounted to HK\$28.4 million which was HK\$8.0 million higher than in the corresponding period a year ago
- Operating expenditures for the reporting period mildly increased to HK\$31.4 million
- The Group's financial position remains strong, with approximately HK\$1,311 million in cash and interest-bearing securities on hand

	Jul 2011 to Mar 2012 HK\$'M	Jul 2010 to Mar 2011 HK\$'M
Revenue	528.2	464.9
Gross profit	279.0	239.6
– as a percentage of revenue	53%	52%
Other income	28.4	20.4
Operating expenditures *	(31.4)	(28.6)
Profit before taxation	276.0	231.4
Income tax expense	(41.5)	(35.1)
Profit for the period attributable to the owners of the Company	234.5	196.3

* Selling, general and administrative expenses



Chairman's Statement

SUNeVision achieved a profit attributable to the owners of the Company of HK\$234.5 million for the nine months ended 31 March 2012.

Largely driven by the Group's data centre businesses, revenue for the Group increased to HK\$528.2 million, reflecting an improvement of HK\$63.3 million when compared with the same period of the previous financial year. Gross margin improved to approximately 53%, translating into gross profit of HK\$279.0 million for the reporting period.

Other income, being income in addition to revenue from operations, amounted to HK\$28.4 million which was HK\$8.0 million higher than in the corresponding period a year ago, primarily as a result of higher interest income.

Operating expenditures for the reporting period mildly increased to HK\$31.4 million mainly because of the agency fees incurred for securing new office leases for the Group's investment properties and higher general administrative expenses.

Combining stable revenues and effective cost management, profit from operations increased to HK\$276.0 million, an improvement of HK\$44.5 million over the same period of financial year 2010/11.

After allowing for taxation, profit attributable to the owners of the Company was HK\$234.5 million, an increase of 19.5% over the same nine-month period in the previous financial year.

The Group's financial position remains strong, with approximately HK\$1,311 million in cash and interest-bearing securities on hand as at 31 March 2012.

iAdvantage successfully concluded new businesses and renewed its existing relationships with multinational and local customers. Overall occupancy was approximately 87% at the period end. Other Group businesses continued to provide quality services to their customers.

Further to working on new prospects to fill its data centres, iAdvantage will continue its pursuit of growth. It is actively looking for new premises to increase its data centre space and will 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, 4 May 2012

Chief Executive Officer's Report

OVERVIEW

SUNeVision reported its unaudited results for the nine months ended 31 March 2012 with a profit attributable to the owners of the Company of HK\$234.5 million, representing an increase of HK\$38.2 million over the corresponding period of the previous financial year. The Group has been successful in riding on the favourable trend established in the previous financial year, and the results show improvements in the Group's core revenues and operating profitability.

BUSINESS REVIEW

iAdvantage

iAdvantage continued to invest and upgrade its data centre infrastructure to strengthen its market position in providing genuinely carrier-neutral data centre services and meeting increasingly stringent requirements of its customers.

During the reporting period, iAdvantage managed to win new businesses and renew existing contracts with both multinational corporations and local customers. Overall data centre occupancy was approximately 87% at the period end.

iAdvantage has continued its endeavours in exploring growth opportunities. With its solid experience and proven track records, iAdvantage is well positioned to attract and capture new demand from high quality customers.

Super e-Technology

Super e-Technology has successfully secured 9 contracts with a combined contract sum of approximately HK\$7.5 million for the installation of security, surveillance and SMATV systems during the reporting period.

Super e-Technology maintains a positive outlook in its core business, and is actively pursuing opportunities in new and emerging technologies.

Super e-Network

During the reporting period, Super e-Network was in negotiations of several potential sites for deploying new wireless LAN infrastructure in shopping malls and offices for the provision of WIFI services. It continues to explore new opportunities, technologies, and bid for new projects to expand its business 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.

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

Tsim Wing-kit, Alfred

Chief Executive Officer

Hong Kong, 4 May 2012

Quarterly Results

For the period ended 31 March 2012 (Unaudited)

The Board of Directors of SUNeVision Holdings Ltd. (the "Company") is pleased to announce the unaudited results of the Company and its subsidiaries (the "Group") for the three months and nine months ended 31 March 2012 together with the comparative unaudited figures for the corresponding periods in 2011 as follows:

Consolidated Income Statement

	Notes	Three months ended 31 March		Nine months ended 31 March	
		2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Revenue	2	179,975	163,141	528,181	464,888
Cost of sales		(81,437)	(79,997)	(249,188)	(225,274)
Gross profit		98,538	83,144	278,993	239,614
Other income	3	9,463	6,351	28,462	20,479
Selling expenses		(1,619)	(1,710)	(5,784)	(4,476)
Administrative expenses		(10,399)	(7,964)	(25,701)	(24,170)
Profit before taxation		95,983	79,821	275,970	231,447
Income tax expense	4	(14,438)	(12,303)	(41,458)	(35,168)
Profit for the period attributable to the owners of the Company		81,545	67,518	234,512	196,279
Earnings per share	5				
– Basic (Remark)		2.02 cents	1.66 cents	5.80 cents	4.83 cents

Remark

Upon completion of the bonus issue of shares (with a convertible note alternative) on 25 November 2010, the Company had 2,342,675,478 ordinary shares in issue and outstanding notes convertible into 1,720,292,188 fully paid ordinary shares, representing a total of 4,062,967,666 shares which form the basis for the calculation of basic earnings per share. Adjustments have been made in respect of shares repurchased. Details of earnings per share calculation and the Company's share capital are set out in notes 5 and 7 respectively.



Consolidated Statement of Comprehensive Income

	Three months ended 31 March		Nine months ended 31 March	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Profit for the period	81,545	67,518	234,512	196,279
Other comprehensive income for the period (net of tax)				
Change in fair value of investments	11,841	2,192	3,088	12,403
Exchange differences arising from translation of operations outside Hong Kong	–	93	283	305
Release upon redemption/disposal of debt securities	–	–	(860)	(872)
	11,841	2,285	2,511	11,836
Total comprehensive income for the period	93,386	69,803	237,023	208,115
Total comprehensive income attributable to:				
Owners of the Company	93,386	69,673	236,674	207,669
Non-controlling interests	–	130	349	446
	93,386	69,803	237,023	208,115

Notes to the Quarterly Results

1. BASIS OF PREPARATION

The unaudited financial statements have been prepared in accordance with accounting principles generally accepted in Hong Kong which include Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The principal accounting policies used in the quarterly financial statements are consistent with those followed in the preparation of the Group's financial statements for the year ended 30 June 2011.

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 2011, the adoption has no material impact on the reported results and the financial position of the Group for the current or prior accounting periods. For those which are not yet effective and have not been early adopted, the Group is in the process of assessing their impact on the Group's results and financial position.

2. REVENUE

Revenue represents the aggregate of income from data centre and information technology facilities, installation and maintenance of satellite master antenna television system, communal aerial broadcast distribution, structural cabling and security system, property rentals and building management services, after elimination of all significant inter-company transactions between group companies.

3. OTHER INCOME

	Three months ended 31 March		Nine months ended 31 March	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Interest income	9,333	6,197	26,228	18,761
Gain on redemption/disposal of debt securities and investment income	–	–	1,252	1,222
Miscellaneous	130	154	982	496
	9,463	6,351	28,462	20,479

4. INCOME TAX EXPENSE

	Three months ended 31 March		Nine months ended 31 March	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Current tax				
– Hong Kong profits tax	15,468	8,992	44,663	30,070
– PRC Enterprise Income Tax	–	467	718	888
	15,468	9,459	45,381	30,958
Deferred tax (credit)/charge	(1,030)	2,844	(3,923)	4,210
	14,438	12,303	41,458	35,168

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits for the periods.

Under the Law of the People's Republic of China ("PRC") on Enterprise Income Tax ("EIT Law") and the Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

5. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	Three months ended 31 March		Nine months ended 31 March	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Earnings for the purposes of basic earnings per share	81,545	67,518	234,512	196,279

	Three months ended 31 March		Nine months ended 31 March	
	2012 Number of shares	2011 Number of shares	2012 Number of shares	2011 Number of shares
Weighted average number of ordinary shares for the purposes of basic earnings per share	4,042,399,666	4,061,659,399	4,044,825,964	4,062,537,943

5. EARNINGS PER SHARE (Continued)

4,062,967,666 ordinary shares are deemed to be in issue as at 1 July 2010 assuming that the issuance of bonus shares (with a convertible note alternative) at one bonus share for every existing ordinary share held by capitalising the Company's share premium account has been effective.

There were no dilutive potential ordinary shares in existence during the three months and nine months ended 31 March 2012 and 2011.

6. RESERVES

	Three months ended 31 March						2011 (Restated) Total HK\$'000 (Note 2)
	2012						
	Share premium HK\$'000	Reserve arising from issuance of convertible notes HK\$'000 (Note 1)	Exchange reserve HK\$'000	Investments revaluation reserve HK\$'000	Retained profits/ (Accumulated losses) HK\$'000	Total HK\$'000	
At beginning of the period	2,315,239	172,019	1,599	28,868	(1,356)	2,516,369	2,385,083
Profit for the period	-	-	-	-	81,545	81,545	67,518
Change in fair value of investments	-	-	-	11,841	-	11,841	2,192
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	-	-	-	(37)
Total comprehensive income for the period	-	-	-	11,841	81,545	93,386	69,673
Conversion of convertible notes	-	-	-	-	-	-	(10)
Shares repurchased	-	-	-	-	-	-	(5,110)
At end of the period	2,315,239	172,019	1,599	40,709	80,189	2,609,755	2,449,636

6. RESERVES (Continued)

	Nine months ended 31 March						2011 (Restated) Total HK\$'000 (Note 2)
	2012						
	Share premium HK\$'000	Reserve arising from issuance of convertible notes HK\$'000 (Note 1)	Exchange reserve HK\$'000	Investments revaluation reserve HK\$'000	Retained profits/ (Accumulated losses) HK\$'000	Total HK\$'000	
At beginning of the period	2,321,165	172,019	1,665	38,481	113,284	2,646,614	2,440,725
Profit for the period	-	-	-	-	234,512	234,512	196,279
Change in fair value of investments	-	-	-	3,088	-	3,088	12,403
Release upon redemption/disposal of debt securities	-	-	-	(860)	-	(860)	(872)
Exchange differences arising from translation of operations outside Hong Kong	-	-	(66)	-	-	(66)	(141)
Total comprehensive (expense)/ income for the period	-	-	(66)	2,228	234,512	236,674	207,669
Bonus issue of shares (with a convertible note alternative)	-	-	-	-	-	-	(31,119)
Conversion of convertible notes	-	-	-	-	-	-	(10)
Shares repurchased	(5,926)	-	-	-	-	(5,926)	(5,110)
Final dividend and distribution paid	-	-	-	-	(267,607)	(267,607)	(162,519)
At end of the period	2,315,239	172,019	1,599	40,709	80,189	2,609,755	2,449,636

Notes:

- Pursuant to an ordinary resolution in relation to the bonus issue of shares (with a convertible note 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 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 1 November 2010.

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. 2,000 of the Notes were exercised and converted into shares by noteholders during the nine months ended 31 March 2012. As a result, 1,720,190,135 of the Notes remain outstanding as at 31 March 2012.

6. RESERVES (Continued)

Notes:

1. (Continued)

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 Notes. The Notes do not carry voting rights at any general meeting of shareholders of the Company. The noteholders can exercise the conversion rights at anytime after the issue of the Notes, subject to the terms and conditions of the deed poll constituting the Notes. The Notes were recognised as equity and are presented in reserves as reserve arising from issuance of convertible notes.

2. The accumulated losses as at 1 July 2010 have been restated due to the early adoption of the Amendments to HKAS 12 – Deferred tax: recovery of underlying assets for the 2010/11 financial year. As a result, the total reserves at the beginning/end of the period for 2011 have been adjusted accordingly.

7. SHARE CAPITAL

	Number of ordinary shares	Amount HK\$'000
Ordinary shares of HK\$0.1 each		
Authorised:		
At 1 July 2010, 30 June 2011 and 31 March 2012	10,000,000,000	1,000,000
Issued and fully paid:		
At 1 July 2010	2,031,483,833	203,148
Bonus issue of shares by capitalisation of the share premium account	311,191,645	31,119
Conversion of convertible notes	100,053	10
Shares repurchased	(13,568,000)	(1,356)
At 30 June 2011	2,329,207,531	232,921
Conversion of convertible notes	2,000	–
Shares repurchased	(7,000,000)	(700)
At 31 March 2012	2,322,209,531	232,221

7. SHARE CAPITAL (Continued)

Pursuant to an ordinary resolution in relation to the bonus issue of shares (with a convertible note 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. Accordingly, convertible notes can be converted into ordinary shares on a one to one basis.

During the nine months ended 31 March 2012, convertible notes in the amount of HK\$200 were exercised and converted into 2,000 ordinary shares.

	Number of fully paid ordinary shares to be issued/(issued) upon conversion	Amount HK\$'000
Reserve arising from issuance of convertible notes in November 2010	1,720,292,188	172,029
Conversion of convertible notes	(100,053)	(10)
At 30 June 2011	1,720,192,135	172,019
Conversion of convertible notes	(2,000)	-
At 31 March 2012	1,720,190,135	172,019

Upon conversion of all the outstanding convertible notes, the issued share capital of the Company would be 4,042,399,666 fully paid ordinary shares of HK\$0.1 each.

Details of the bonus issue of shares (with a convertible note alternative) are set out in the circular of the Company dated 29 September 2010.

Dividend

The board of Directors (the “Board”) of the Company does not recommend the payment of an interim dividend for the nine months ended 31 March 2012 (2011: Nil).

Directors’ Interests

As at 31 March 2012, 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 31.03.2012
	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&2}	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:

- 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 in the Company by virtue of being beneficiaries of certain discretionary trusts, which represented the same interests and were therefore duplicated between these two Directors for the purpose of Part XV of the SFO.
- In addition to the deemed interests as stated in Note 1 above, Mr. Kwok Ping-luen, Raymond was also deemed to be interested in another 1,345,000 shares in the Company by virtue of him being a beneficiary of a discretionary trust for the purpose of Part XV of the SFO.



3. The disclosure of the interests in shares of Mr. Kwok Ping-sheung, Walter in this report has not been endorsed by Mr. Kwok Ping-sheung, Walter and:

- (1) By a letter dated 6 October 2011, Mr. Kwok Ping-sheung, Walter informed the Company (after defining "Share Interest" to mean his share interest in the Company) that: "...my understanding of the Share Interest that I should have is differed [*sic*] from the recent information provide to me by the HSBC Trustee (C.I.) Limited ("HSBCCI"). HSBCCI has refused to furnish me information which demonstrates their claim of my Share Interest. HSBCCI is the Trustee of the Trust which holds all the share interest of SUNeVision of the whole Kwok family. There is clearly a serious dispute (the "Dispute") in my Share Interest and accordingly I am advised not to endorse any information relating to any Share Interest pending the outcome of the settlement of the Dispute."
- (2) In a letter dated 27 October 2011, in response to a statement of disclosure of interests sent by the Company to Mr. Kwok Ping-sheung, Walter for reconfirming his interests and short positions in shares and in respect of equity derivatives, underlying shares and debentures of the Company and its associated corporations as of 30 September 2011, Mr. Kwok Ping-sheung, Walter repeated the following: "There is clearly a serious dispute (the "Dispute") in the Share Interest and accordingly I am advised not to endorse any information relating to any Share Interest pending the outcome of the settlement of the 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 ⁵	Total	% of shares in issue as at 31.03.2012
	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Corporate interests (interests of controlled corporation)	Other interests	Total				
Kwok Ping-luen, Raymond	76,894	—	—	416,726,278 ^{1,283}	416,803,172	100,000	416,903,172	15.94	
Kwok Ping-kwong, Thomas	2,026,195	304,065	—	413,503,195 ^{1,284}	415,833,455	148,000	415,981,455	15.91	
Tung Chi-ho	—	—	—	—	—	80,000	80,000	0	
Wong Chin-wah	20,000	—	—	—	20,000	80,000	100,000	0	
So Wai-kei, Godwin	—	—	—	—	—	24,000	24,000	0	
Kwok Ping-sheung, Walter	75,000	—	—	1,087,663,522	1,087,738,522	—	1,087,738,522 ⁶	41.59	
Chan Kui-yuen, Thomas	—	66,000	126,500 ⁷	—	192,500	100,000	292,500	0.01	
So Chung-keung, Alfred	191,313	6,500	—	—	197,813	80,000	277,813	0.01	
Siu Hon-wah, Thomas	—	—	—	7,000 ⁸	7,000	—	7,000	0	

Notes:

1. Each of Mr. Kwok Ping-luen, Raymond and Mr. Kwok Ping-kwong, Thomas was deemed to be interested in 392,963,316 shares in SHKP respectively by virtue of each of them being a beneficiary of certain discretionary trusts for the purpose of Part XV of the SFO. Of the respective 392,963,316 shares in SHKP in which each of Mr. Kwok Ping-luen, Raymond and Mr. Kwok Ping-kwong, Thomas was deemed to be interested, 28,764,614 shares represented the same interests and were duplicated between these two Directors.
2. On 2 November 2010, the trustee of certain trusts, which were then indirectly interested in a total of 1,081,739,328 shares in SHKP, informed the Company 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 and one of them was director(s) of SHKP in the said 1,081,739,328 shares in SHKP with effect from 29 September 2010 were as follows:
 - “1. Madam Kwong Siu Hing continues to be interested in all the said 1,081,739,328 shares in SHKP;
 2. 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
 3. Mr Kwok Ping Sheung Walter is not interested in any of the said 1,081,739,328 shares in SHKP.”
3. In addition to the deemed interests as stated in Note 1 above, Mr. Kwok Ping-luen, Raymond was also deemed to be interested in another 23,762,962 shares in SHKP by virtue of him being a beneficiary of a discretionary trust for the purpose of Part XV of the SFO.
4. In addition to the deemed interests as stated in Note 1 above, Mr. Kwok Ping-kwong, Thomas was also deemed to be interested in another 20,539,879 shares in SHKP by virtue of him being a beneficiary of a discretionary trust for the purpose of Part XV of the SFO.

5. These represented the interests in the underlying shares of SHKP in respect of the share options (which are unlisted and physically settled equity derivatives) granted by SHKP under its share option scheme. Particulars of such share options and their movements during the nine months ended 31 March 2012 were as follows:

Name of Director	Date of grant	Exercise price per share	Number of share options				Outstanding as at 31.03.2012
			Balance as at 01.07.2011	Granted during the period	Exercised during the period	Cancelled/lapsed during the period	
			HK\$				
Kwok Ping-luen, Raymond	12.07.2010	111.40	100,000	—	—	—	100,000
Kwok Ping-kwong, Thomas	12.07.2010	111.40	148,000*	—	—	—	148,000
Tung Chi-ho	12.07.2010	111.40	80,000	—	—	—	80,000
Wong Chin-wah	12.07.2010	111.40	80,000	—	—	—	80,000
So Wai-kei, Godwin	12.07.2010	111.40	24,000	—	—	—	24,000
Chan Kui-yuen, Thomas	12.07.2010	111.40	100,000	—	—	—	100,000
So Chung-keung, Alfred	12.07.2010	111.40	80,000	—	—	—	80,000

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

The exercise period of the above-mentioned share options of SHKP is from 12 July 2011 to 11 July 2015. Such share options can be exercised up to 30% of the grant during the period from 12 July 2011 to 11 July 2012, up to 60% of the grant during the period from 12 July 2012 to 11 July 2013 and in whole or in part of the grant during the period from 12 July 2013 to 11 July 2015.

6. The disclosure of these interests in this report has not been endorsed by Mr. Kwok Ping-sheung, Walter. In so far as may be relevant, notes 3(1) and (2) under paragraph 1 (Long position in shares and underlying shares of the Company) are reproduced below:

"(1) By a letter dated 6 October 2011, Mr. Kwok Ping-sheung, Walter informed the Company (after defining "Share Interest" to mean his share interest in the Company) that:
 "...my understanding of the Share Interest that I should have is differed [sic] from the recent information provide to me by the HSBC Trustee (C.I.) Limited ("HSBCCI"). HSBCCI has refused to furnish me information which demonstrates their claim of my Share Interest. HSBCCI is the Trustee of the Trust which holds all the share interest of SUNeVision of the whole Kwok family. There is clearly a serious dispute (the "Dispute") in my Share Interest and accordingly I am advised not to endorse any information relating to any Share Interest pending the outcome of the settlement of the Dispute."

- (2) In a letter dated 27 October 2011, in response to a statement of disclosure of interests sent by the Company to Mr. Kwok Ping-sheung, Walter for reconfirming his interests and short positions in shares and in respect of equity derivatives, underlying shares and debentures of the Company and its associated corporations as of 30 September 2011, Mr. Kwok Ping-sheung, Walter repeated the following:
 “There is clearly a serious dispute (the “Dispute”) in the Share Interest and accordingly I am advised not to endorse any information relating to any Share Interest pending the outcome of the settlement of the 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 31.03.2012
	Other interests	Total			
Kwok Ping-luen, Raymond	4,475,534 ¹	4,475,534	—	4,475,534	0.43

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 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 31.03.2012	Actual holding through corporation	Actual % interests in issued shares as at 31.03.2012
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:

- 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 between these two Directors for the purpose of Part XV of the SFO. These shares were held by corporations under certain discretionary trusts, 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 March 2012, 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 once adopted a share option scheme (the “Old Scheme”). By shareholders’ ordinary resolutions passed at the annual general meeting of the Company held on 3 December 2002, the Company had adopted another share option scheme (the “New Scheme”) and terminated the Old 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 extraordinary general meeting held on the same day. All outstanding share options granted under the Old Scheme had expired prior to the period under review.

During the nine months ended 31 March 2012, there were no outstanding share options under the New Scheme.

2. ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Other than the share option schemes as mentioned above, at no time during the nine months ended 31 March 2012 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 March 2012, 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 31.03.2012
Sunco Resources Limited ¹ (“Sunco”)	1,719,427,500	1,719,427,500 ²	3,438,855,000	148.08
SHKP ³	1,719,427,500	1,719,427,500 ²	3,438,855,000	148.08
HSBCCI ⁴	1,721,567,500	1,719,427,500 ²	3,440,995,000	148.17

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 (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 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 exercise of the conversion rights attached 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 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 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 March 2012, the Company had not been notified by any persons (other than Directors or chief executive 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 nine months ended 31 March 2012, 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 recognized leader in the field of information technology development and has been appointed to various positions including consultants and directors to institutions and business entities which are engaged in research, development and relevant business. These institutions and business entities may be in competition with the Group.

Save as disclosed in this section, none of the Directors or the controlling shareholders 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 written terms of reference in compliance with the GEM Listing Rules. The Audit Committee has reviewed the third quarterly results for the nine months ended 31 March 2012 and has provided advice and comments thereon.

Purchase, Sale or Redemption of the Company's Listed Securities

During the nine months ended 31 March 2012, the Company repurchased 7,000,000 shares of the Company on the Stock Exchange at an aggregate consideration of HK\$6,582,580 (excluding expenses) for the enhancement of its net asset value and earnings per share. All the repurchased shares were subsequently cancelled. Details of the repurchases of shares are summarized as follows:

Month of the repurchases	Total number of ordinary shares repurchased	Price paid (per share)		Aggregate Consideration paid (excluding expenses) HK\$
		Highest	Lowest	
		HK\$	HK\$	
September 2011	2,478,000	0.96	0.91	2,347,560
October 2011	4,522,000	0.95	0.92	4,235,020
	<u>7,000,000</u>			<u>6,582,580</u>

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the nine months ended 31 March 2012.

On behalf of the Board

Kwok Ping-luen, Raymond
Chairman

Hong Kong, 4 May 2012

As at the date of this report, the Board of the Company comprises five Executive Directors, being Kwok Ping-luen, Raymond, Tsim Wing-kit, Alfred, Tung Chi-ho, Eric, Wong Chin-wah and So Wai-kei, Godwin; seven Non-Executive Directors, being Kwok Ping-sheung, Walter, Kwok Ping-kwong, Thomas, Cheung Wing-yui, Chan Kui-yuen, Thomas, So Chung-keung, Alfred, Siu Hon-wah, Thomas and John Anthony Miller; and three Independent Non-Executive Directors, being Li On-kwok, Victor, King Yeo-chi, Ambrose and Wong Kai-man.

SUNeVision Holdings Ltd.
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