
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **SUNeVision Holdings Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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sun^eVISION

新意網集團有限公司*

SUNeVision Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

**PROPOSALS FOR
ADOPTION OF NEW SHARE OPTION SCHEME,
TERMINATION OF EXISTING SHARE OPTION SCHEME,
GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE ITS OWN SHARES,
CHANGE OF COMPANY NAME AND
AMENDMENTS TO THE MEMORANDUM AND
ARTICLES OF ASSOCIATION**

A notice dated 30 September 2002 convening an annual general meeting of SUNeVision Holdings Limited to be held at 53/F., Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on 3 December 2002 at 12:30 p.m. is set out on pages 22 to 32 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the accompanying proxy form will not preclude Shareholders from attending and voting in person at the meeting should they so wish.

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

* *For identification only*

Hong Kong, 30 September 2002

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. 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 sophisticate 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.

The principal means of information dissemination on GEM is publication on the internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 53/F., Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on 3 December 2002 at 12:30 p.m.
“AGM Notice”	the notice dated 30 September 2002 convening the AGM as set out on pages 22 to 32 of this circular
“associates”	as such term is defined under the GEM Listing Rules
“associated companies”	those companies and/or enterprises which were defined and/or disclosed as the associates and/or associated companies of the subject company in the latest audited financial statements of the subject company
“Board”	the board of directors of the Company or a duly authorised committee thereof for the time being which shall include the independent non-executive directors of the Company (and, in so far as may be required under the GEM Listing Rules, the independent non-executive directors of any holding company of the Company which is also listed on GEM or the main board of the Stock Exchange)
“Business Day”	a day (other than a Saturday or a Sunday) on which licensed banks are generally open for business in Hong Kong and the Stock Exchange is open for business of dealing in securities
“chief executive”	as such term is defined under the GEM Listing Rules
“Company”	SUNeVision Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Companies Law”	the Companies Law (2002 Revision) (Chapter 22 of the Laws of the Cayman Islands)
“connected person”	as such term is defined under the GEM Listing Rules
“Directors”	the directors of the Company for the time being
“Existing Share Option Scheme”	the existing share option scheme of the Company for the employees (including any executive directors) of the Company and its subsidiaries adopted by the Company at its general meeting on 29 February 2000
“GEM”	the Growth Enterprise Market of the Stock Exchange

DEFINITIONS

“GEM Listing Committee”	the listing sub-committee of the directors of the Stock Exchange with responsibility for GEM
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as may be amended, modified or supplemented from time to time
“Grantee”	any Participant who accepts an offer of grant of an Option made by the Board in accordance with the terms of the New Share Option Scheme or (where the context so permits) the personal representative(s) entitled to any such Option in consequence of the death of the original Grantee
“Group”	the Company, its subsidiaries and its associated companies from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	25 September 2002, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“New Share Option Scheme”	the share option scheme in its present or any amended form proposed to be adopted by the Company at the AGM, a summary of the principal terms of the rules of which is set out in Appendix I to this circular
“Option”	a right to subscribe for Shares pursuant to the terms of the New Share Option Scheme
“Option Period”	a period to be determined by the Board at its absolute discretion and notified by the Board to each Grantee as being the period during which an Option may be exercised and in any event, such period shall not be longer than 10 years from the date upon which any particular Option is granted in accordance with the terms of the New Share Option Scheme
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the AGM Notice
“Participant”	(i) any executive or non-executive directors (or any persons proposed to be appointed as such) or any employees (whether full-time or part-time) of each member of the Group; (ii) any consultants, professional and other advisers to each member of the Group (or persons, firms or companies proposed to be appointed for providing such services); (iii) any chief executives or substantial shareholders of the Company; (iv) any associates of director, chief executive or substantial shareholder of the Company; and (v) any employees of substantial shareholder of the Company, as absolutely determined by the Board

DEFINITIONS

“relevant company”	the Company, the relevant subsidiary and associated company of the Company, as the case may be
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Share Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot, issue and deal with Shares during the period as set out in the Ordinary Resolution no. 5 up to 20% of the issued share capital of the Company as at the date of passing the Ordinary Resolution no. 5
“Share Repurchase Mandate”	a general mandate to the Directors to exercise the power of the Company to repurchase Shares during the period as set out in the Ordinary Resolution no. 6 up to 10% of the issued share capital of the Company as at the date of passing the Ordinary Resolution no. 6
“Share Repurchase Rules”	the relevant rules set out in the GEM Listing Rules to regulate the repurchase by companies with primary listing of their own securities on GEM
“Shareholder(s)”	holder(s) of Share(s)
“SHKP”	Sun Hung Kai Properties Limited, the shares of which are listed on the Stock Exchange and a substantial shareholder of the Company
“SHKP’s Meeting”	the extraordinary general meeting of SHKP to be held to approve the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme by the Company
“Special Resolution(s)”	the proposed special resolution(s) as referred to in the AGM Notice
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance or the local companies law, act and/or ordinance where the subject company was incorporated)
“substantial shareholder”	as such term is defined under the GEM Listing Rules
“Takeover Code”	the Hong Kong Codes on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.



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新意網集團有限公司*
SUNeVision Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Executive Directors:

Kwok Ping Luen, Raymond
(Chairman and Chief Executive Officer)
Kwok Ping Sheung, Walter
Kwok Ping Kwong, Thomas
Yen Shiao Hua, Sheridan *(Managing Director)*
Chan Kui Yuen, Thomas
Wong Yick Kam, Michael
Leung Kui King, Donald
So Chung Keung, Alfred
Tung Chi Ho, Eric
Wong Chin Wah, Jimmy
Tung Yiu Kwan, Stephen
So Sing Tak, Andrew

Non-Executive Director:

Cheung Wing Yui

Independent Non-Executive Directors:

Kao Kuen, Charles
Li On Kwok, Victor
Zhang Shoucheng, Steven

Registered Office:

P O Box 309, Ugland House
South Church Street
George Town
Grand Cayman
Cayman Islands
British West Indies

Head Office and Principal

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

30 September 2002

To the Shareholders

Dear Sir or Madam

**PROPOSALS FOR
ADOPTION OF NEW SHARE OPTION SCHEME,
TERMINATION OF EXISTING SHARE OPTION SCHEME,
GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE ITS OWN SHARES,
CHANGE OF COMPANY NAME AND
AMENDMENTS TO THE MEMORANDUM AND
ARTICLES OF ASSOCIATION**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the proposed adoption of the New Share Option Scheme, the proposed termination of the Existing Share Option Scheme, the

proposed renewal of the general mandates to allot, issue and deal with Shares and to repurchase Shares, the proposed change of company name and the proposed amendments to the existing memorandum and articles of association of the Company and to seek your approval of the Ordinary Resolutions and the Special Resolutions relating to these matters at the AGM.

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

The Existing Share Option Scheme was adopted by the Company on 29 February 2000 and will expire on 28 February 2010. To be in line with the recent changes of the GEM Listing Rules in relation to share option schemes and in order for the Company to attract, retain and motivate talented Participants to strive for the goals of the Group and to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the Participants and for such other purposes as the Board may approve from time to time, the Board proposes that the New Share Option Scheme for the Participants be approved and adopted and the Existing Share Option Scheme be terminated at the AGM.

At the AGM, the Ordinary Resolution no. 4 will be proposed for the Shareholders to consider and if thought fit, approve the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme. A summary of the principal terms of the rules of the New Share Option Scheme is set out in Appendix I hereto. Subject to the approval of the Shareholders at the AGM and the approval of the shareholders of SHKP at the SHKP Meeting of the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme, the Existing Share Option Scheme will be terminated with effect from the conclusion of the AGM or the conclusion of the SHKP Meeting, whichever is the later; and the New Share Option Scheme will take effect, subject to the approval of the Stock Exchange, on the date of its adoption at the AGM or on the date the New Share Option Scheme is approved at the SHKP Meeting, whichever is the later. Operation of the New Share Option Scheme will commence after all conditions precedent as referred to in sub-paragraph (a) below have been fulfilled.

The Board had granted options pursuant to the Existing Share Option Scheme to Participants to subscribe for a total of 21,250,500 Shares representing approximately 1.05% of the issued share capital of the Company as at the Latest Practicable Date. As at the Latest Practicable Date, there are 13,632,500 Shares representing outstanding options and 7,618,000 Shares representing options cancelled and no option has lapsed under the Existing Share Option Scheme. Out of the aforesaid outstanding options, 6,095,000 options are exercisable during the period from 31 December 2000 to 30 December 2005, 1,937,500 options are exercisable during the period from 15 November 2001 to 14 November 2006, 3,350,000 options are exercisable during the period from 20 March 2002 to 19 March 2007 and 2,250,000 options are exercisable during the period from 8 July 2003 to 7 July 2008. Save as aforesaid and up to the Latest Practicable Date, no other options have been granted to any Participant. The Board confirms that prior to the AGM, it will not grant any further option under the Existing Share Option Scheme. Besides the Existing Share Option Scheme, there is no other subsisting share option schemes of the Company as at the Latest Practicable Date.

LETTER FROM THE BOARD

Upon termination of the Existing Share Option Scheme, no further options may be offered thereunder. However, in respect of the outstanding options mentioned in the preceding paragraph, the provisions of the Existing Share Option Scheme shall remain in force. The above-mentioned outstanding options granted under the Existing Share Option Scheme shall continue to be subject to the provisions of the Existing Share Option Scheme and the provisions of Chapter 23 of the GEM Listing Rules and the adoption of the New Share Option Scheme will not in any event affect the terms in respect of such outstanding options.

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,026,309,500 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of the adoption of the New Share Option Scheme, the number of Shares issuable pursuant to the New Share Option Scheme on the date of its adoption will be 202,630,950 Shares, representing 10% of the total number of Shares in issue as at the date of approval of the New Share Option Scheme.

(a) **Conditions Precedent of the New Share Option Scheme**

The New Share Option Scheme will take effect upon satisfaction of the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders at general meeting approving the adoption of the New Share Option Scheme and authorising the Directors to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under the New Share Option Scheme;
- (ii) the passing of an ordinary resolution by the Shareholders and the shareholders of SHKP at their respective general meeting approving the termination of the Existing Share Option Scheme;
- (iii) the passing of an ordinary resolution by the shareholders of SHKP at general meeting approving the adoption of the New Share Option Scheme; and
- (iv) the GEM Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options under the New Share Option Scheme.

Upon satisfaction of the above conditions, the Board will have the right to grant to the Participants Options to subscribe for Shares, which when aggregated with Shares to be granted under any other share option schemes of the Company, representing up to 10% of the total number of Shares in issue as at the date of approval of the New Share Option Scheme, unless the Company obtains a fresh approval from its Shareholders to refresh the 10% limit. The maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the issued share capital of the Company from time to time.

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

Once the New Share Option Scheme is adopted, any alterations to the terms and conditions thereof, which are of a material nature, must be approved by the Shareholders, except where the alterations take effect automatically pursuant to the terms originally provided in the New Share Option Scheme.

(b) Explanation of the terms of the New Share Option Scheme

In Appendix I hereto, you will find a summary of the principal terms of the rules of the New Share Option Scheme, which are in line with the provisions of Chapter 23 of the GEM Listing Rules. By offering Options to the Participants in such flexible terms under the New Share Option Scheme, in particular, the subscription price of the Options will be determined with reference to the market value of the share price of the Company, such Participants may exercise their Options at anytime within the Option Period to acquire a monetary gain or ownership interest in the Company which may in turn provide a further incentive to the Participants to better serve the Group.

(c) Value of the Options

Since the New Share Option Scheme is yet to be approved by the Shareholders, the Board has not yet determined the time frame on the granting of the Options under the New Share Option Scheme and the number of Shares for which any Grantee may subscribe upon exercise of an Option. Accordingly, the Board considers that it is premature and inappropriate to state the value of the Option for the time being in this circular.

3. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 27 November 2001, resolutions were passed giving general mandates to the Directors to allot, issue and deal with Shares and to exercise the powers of the Company to repurchase its own Shares in accordance with the Share Repurchase Rules. These general mandates will lapse at the conclusion of the AGM. It is therefore proposed to renew the general mandates to allot, issue and deal with Shares and to repurchase Shares at the AGM.

At the AGM, the Ordinary Resolution no. 5 will be proposed for the Shareholders to consider and, if thought fit, approve the Share Issue Mandate. The Shares which may be allotted and issued pursuant to the Share Issue Mandate is up to 20% of the issued share capital of the Company on the date of passing the resolution approving the Share Issue Mandate. In addition, the Ordinary Resolution no. 7 will also be proposed for the Shareholders to consider and, if thought fit, approve the extension of the Shares Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Share Issue Mandate the number of Shares purchased under the Share Repurchase Mandate, if granted.

LETTER FROM THE BOARD

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are respectively set out in the Ordinary Resolutions nos. 5 and 7 respectively. These mandates will expire whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company, or any other applicable law of the Cayman Islands to be held; and (c) the date on which the authority given under the Ordinary Resolutions nos. 5 and 7 respectively is revoked or varied by an ordinary resolution of the Shareholders.

4. GENERAL MANDATE TO REPURCHASE SHARES

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

As at the Latest Practicable Date, the issued share capital of the Company comprised of 2,026,309,500 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Share Repurchase Mandate on the date of passing the resolution approving the Share Repurchase Mandate will be 202,630,950 Shares.

An explanatory statement as required under the Share Repurchase Rules, giving certain information regarding the Share Repurchase Mandate together with the details of the repurchases of Shares made by the Company during the previous six months preceding the Latest Practicable Date, are set out in the Appendix II hereto. The Share Repurchase Mandate will expire whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company, or any other applicable law of the Cayman Islands to be held; and (c) the date on which the authority given under the Ordinary Resolution no. 6 is revoked or varied by an ordinary resolution of the Shareholders.

5. CHANGE OF COMPANY NAME

The Company has been using the Chinese name 新意網集團有限公司 for identification purpose only since the date of its incorporation on 25 January 2000. In order to formalize the use of such Chinese name and to reflect the identity of the Company better, the Directors propose to change the name of the Company to **SUNeVision Holdings Ltd.** 新意網集團有限公司. The Special Resolution no. 1 will be proposed at the AGM for the Shareholders to consider and, if thought fit, approve such change of name.

LETTER FROM THE BOARD

The proposed change of company name of the Company will be subject to the approval of the Shareholders and shall take effect from the date on which the relevant special resolution is passed at the AGM. Upon the proposed change of name of the Company becoming effective, the Company will carry out the necessary filing procedures with the Registrar of Companies in the Cayman Islands under the Companies Law and with the Registrar of Companies in Hong Kong under Part XI of the Companies Ordinance.

The proposed change of name of the Company will not affect any of the rights of any Shareholders. All existing share certificates in issue bearing the present name of the Company will after the proposed change of name continue to be evidence of title to the Shares and will be valid for trading, settlement and delivery for the same number of Shares in the new proposed name of the Company.

An announcement will be made once the proposed change of name of the Company becomes effective.

6. AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY

At the AGM, the Special Resolution no. 2 will be proposed for the Shareholders to consider and, if thought fit, approve, subject to the passing of the Special Resolution no. 1 for the change of company name, the amendments to the existing memorandum and articles of association of the Company respectively in order to reflect the change of name of the Company.

Certain amendments have been made to the GEM Listing Rules as a result of which listed issuers are permitted, to the extent permitted under the applicable laws and regulations and their own constitutional documents and where the listed issuers have made adequate arrangements to ascertain the wish of their shareholders, to send or make available corporate communications (including the distribution of a summary of its financial statements) to their shareholders using electronics means and in either the English or the Chinese language.

In order to give more flexibility to the Board, to provide the Company with a more efficient means of communications with the Shareholders and to align the articles of association of the Company with the latest amendments to the GEM Listing Rules, the Board proposes that the articles of association of the Company be amended to permit the distribution of corporate communications (including the distribution of a summary of its financial statements) to the Shareholders using electronic means and in either the English or the Chinese language or in both the English and Chinese languages in the manner as set out in the Special Resolution no. 3.

In order to update all references of “Companies Law (1998 Revision)” in the existing memorandum and articles of association of the Company with the name of its latest revised version, the Directors propose to amend the existing memorandum and articles of association of the Company by replacing all references of “Companies Law (1998 Revision)” in the existing memorandum and

LETTER FROM THE BOARD

articles of association of the Company with “Companies Law (2002 Revision)”. The authorised share capital of the Company was increased from HK\$100,000,000 divided into 1,000,000,000 Shares to HK\$1,000,000,000 divided into 10,000,000,000 Shares pursuant to a resolution of the sole Shareholder on 29 February 2000 for the purpose of listing of the Shares on GEM in around March 2000. However, the existing memorandum and articles of association of the Company have so far not been amended to reflect such an increase of the authorised share capital. As such, the Directors propose to amend references in the existing memorandum and articles of association of the Company to reflect such an increase of the authorised share capital. Further, the Directors propose that the new memorandum and articles of association of the Company, consolidating all the changes to be passed by the Shareholders at the AGM, be adopted in replacement of the existing memorandum and articles of association of the Company with effect from the passing of the relevant special resolutions. These proposed amendments to the existing memorandum and articles of association of the Company will not in any way affect any of the rights of any Shareholders.

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (a) the information contained in this circular is accurate and complete in all material respects and not misleading; (b) there are no other matters the omission of which would make any statement in this circular misleading; and (c) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

8. ANNUAL GENERAL MEETING

Set out on pages 22 to 32 in this circular is the AGM Notice convening the AGM at which the Ordinary Resolutions will be proposed to approve the adoption of the New Share Option Scheme, the termination of the Existing Share Option Scheme, the Share Issue Mandate, the Share Repurchase Mandate and the extension of the Share Issue Mandate and the Special Resolutions will be proposed to approve the change of name of the Company and to amend the existing memorandum and articles of association of the Company.

9. ACTION TO BE TAKEN

The proxy form for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete the accompanying proxy form and return it to the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the AGM if they so wish.

10. DOCUMENT AVAILABLE FOR INSPECTION

Copy of the New Share Option Scheme will be available for inspection at the head office and principal place of business of the Company during normal business hours for a period of 14 days before the date of the AGM (both days inclusive) and at the AGM.

11. RECOMMENDATION

The Board believes that the adoption of the New Share Option Scheme in replacement of the Existing Share Option Scheme, the Share Issue Mandate, the Share Repurchase Mandate, the extension of the Share Issue Mandate, the change of name of the Company, the amendments to the existing memorandum and articles of association of the Company and all other resolutions set out in the AGM Notice are all in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of each of the Ordinary Resolutions and the Special Resolutions to be proposed at the AGM.

By order of the Board
Kwok Ping Luen, Raymond
(Chairman and Chief Executive Officer)

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

- (A) The purpose of the New Share Option Scheme is for the Company to attract, retain and motivate talented Participants to strive for the goals of the Group and to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the Participants and for such other purposes as the Board may approve from time to time.
- (B) The New Share Option Scheme is conditional upon (i) the passing of an ordinary resolution by the Shareholders at general meeting approving the adoption of the New Share Option Scheme by the Shareholders at general meeting and authorising the Directors to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under the New Share Option Scheme; (ii) the passing of an ordinary resolution by the Shareholders and the shareholders of SHKP at their respective general meeting approving the termination of the Existing Share Option Scheme; (iii) the passing of an ordinary resolution by the shareholders of SHKP at general meeting approving the adoption of the New Share Option Scheme; and (iv) the GEM Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options under the New Share Option Scheme.
- (C) The Board may, at its discretion, invite any Participant to take up Options. In determining the basis of eligibility of each Participant, the Board would mainly take into account of the experience of the Participant on the Group's business, the length of service of the Participant with the Group or the length of business relationship the Participant has established with the Group, the amount of contribution the Participant has made or is likely to make towards the success of the Group and such other factors as the Board may at its discretion consider appropriate.
- (D) Offer of an Option shall be deemed to have been accepted by the Grantee and the Option to which the offer relates shall be deemed to have been granted when the duplicate letter comprising acceptance of the Option duly signed by the Grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the granting thereof is received by the Company within 28 days from the date of the offer. The subscription price for Shares is calculated in accordance with paragraph (E) below.
- (E) The subscription price for Shares under the New Share Option Scheme will be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily

quotations sheet on the date on which an Option is offered, which date must be a Business Day; (ii) a price being the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the date on which an Option is offered; and (iii) the nominal value of a Share.

- (F) (i) Subject to sub-paragraph (iv) below, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Company shall not in aggregate exceed 10% of the total number of Shares in issue as at the date of approval of the New Share Option Scheme, unless the Company obtains a fresh approval from the Shareholders pursuant to sub-paragraph (ii) below.
- (ii) Subject to sub-paragraph (iv) below, the Company may seek approval of its Shareholders in general meeting for refreshing the 10% limit set out in sub-paragraph (i) above such that the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme or any other share option schemes of the Company under the limit as refreshed shall not exceed 10% of the total number of Shares in issue as at the date of approval to refresh such limit.
- (iii) Subject to sub-paragraph (iv) below, the Company may seek separate approval by its Shareholders in general meeting for granting Options beyond the 10% limit provided the Options in excess of such limit are granted only to Participants specifically identified by the Company before such approval is sought.
- (iv) Notwithstanding any other provisions of the New Share Option Scheme, the maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company (including the Existing Share Option Scheme) shall not exceed 30% of the total number of Shares in issue from time to time (or such higher percentage as may be allowed under the GEM Listing Rules).
- (G) Subject to the provisions of the New Share Option Scheme and the GEM Listing Rules, the Board may when making an offer of grant of an Option impose any conditions, restrictions or limitations in relation thereto as it may at its absolute discretion think fit.
- (H) (i) The maximum entitlement for any one Participant is that the total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised, cancelled and outstanding Options) in any 12-month period shall not exceed 1% of the total number of Shares in issue.
- (ii) Any further grant of Options to a Participant in excess of the 1% limit referred to in sub-paragraph (i) above shall be subject to Shareholders' approval in general meeting with such Participant and his associates abstaining from voting. The number of Shares subject to the Options to be granted and the terms of the Options to be granted to such Participants shall be fixed before Shareholders' approval and the date of the Board

meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price. In such a case, the Company shall send to its Shareholders a circular containing all such information as may be required under the GEM Listing Rules.

- (I) (i) Any grant of Options to a Participant who is a Director, chief executive, management shareholder or substantial shareholder of the Company or their respective associates must be approved by the independent non-executive Directors (excluding independent non-executive Director who is the Grantee).
- (ii) Where the Board proposes to grant any Option to a Participant who is a substantial shareholder of the Company or an independent non-executive Director, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to him in the 12-month period up to and including the date of such grant:
- (1) representing in aggregate more than 0.1% of the total number of Shares in issue; and
 - (2) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5,000,000,

such proposed grant of Options must be approved by the Shareholders in general meeting. In such a case, the Company shall send to the Shareholders a circular containing all such information as may be required under the GEM Listing Rules. All connected persons of the Company must abstain from voting, except that any connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll.

- (J) An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during the Option Period after the Option has been granted by the Board. An Option Period is a period to be determined by the Board at its absolute discretion and notified by the Board to each Grantee as being the period during which an Option may be exercised, such period to expire not later than 10 years after the date of the grant of the Option. Subject to paragraph (V) below, an Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the expiry of the Option Period.
- (K) Unless otherwise determined by the Board and specified in the offer letter to be given to the Participant at the time of the offer of the Option, there is neither any performance targets that need to be achieved by the Grantee before an Option can be exercised nor any minimum period for which an Option must be held before the Option can be exercised.

- (L) An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Option. Subject to the above, an Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the date on which a Grantee commits a breach of the foregoing.
- (M) If the Grantee ceases to be a Participant for any reason other than on his death or the termination of his employment, directorship, office or appointment on one or more of the grounds specified in paragraph (O) below, the Grantee may exercise the Option up to his entitlement at the date of cessation (to the extent not already exercised) within the period of three months (or such longer period as the Board may determine) following the date of such cessation, which date shall be the last actual working day with the relevant company whether salary is paid in lieu of notice or not, or the last date of office or appointment as director of, as consultant, professional or other advisers to the relevant company, as the case may be.
- (N) If the Grantee dies before exercising the Option in full and none of the events which would be a ground for termination of his employment, directorship, office or appointment under paragraph (O) below arises, the personal representative(s) of the deceased Grantee shall be entitled to exercise the Option up to the entitlement of such Grantee at the date of death (to the extent not already exercised) within a period of twelve months or such longer period as the Board may determine from the date of death. Subject to the above, an Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the expiry of the period referred to above.
- (O) In cases where the Grantee is an associate of a director or chief executive of the Company, an Option shall lapse automatically (to the extent not already exercised) on the date on which such director or chief executive ceases to be a director or a chief executive of the Company (as the case may be) by reason of the termination of his directorship or employment on the grounds that he has been guilty of misconduct, or appears either to be unable to pay or have no reasonable prospect to be able to pay debts, or has become insolvent, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty, in the event of which a resolution of the Board to the effect that the directorship or employment of such a director or chief executive has or has not been terminated on one or more of the grounds specified in this paragraph (O) shall be conclusive; and in such other cases, an Option shall lapse automatically (to the extent not already exercised) on the date on which the Grantee ceases to be an employee, director, consultant, professional or other adviser or chief executive of the relevant company or substantial shareholder of the Company (as the case may be) by reason of the termination of his employment, directorship, office or appointment on the grounds that he has been guilty of misconduct, or appears either to be unable to pay or have no reasonable prospect to pay debts, or has become insolvent, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty. In cases where the Grantee is an associate of a substantial shareholder of the Company, an Option shall lapse automatically (to the extent not already exercised) on the date on which such substantial shareholder ceases to be a substantial shareholder of the Company.

- (P) If a compromise or arrangement between the Company and its Shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to the Grantee on the same date as it dispatches the notice which is sent to each Shareholder or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the original Grantee (or the personal representative(s) of the deceased Grantee) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of two months thereafter and the date on which such compromise or arrangement is sanctioned by the Court exercise any of his Options whether in full or in part, but the exercise of an Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective. Upon such compromise or arrangement becoming effective, all Options shall lapse except insofar as previously exercised under the New Share Option Scheme. Subject to the above, an Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the expiry of the period referred to above.
- (Q) In the event a notice is given by the Company to its Shareholders to convene a Shareholders' meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it despatches such notice to convene the Shareholders' meeting, give notice thereof to all Grantees and thereupon, each original Grantee (or the personal representative(s) of the deceased Grantee) shall be entitled to exercise all or any of his Option at any time not later than two Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a payment for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid. Subject to the above, an Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the expiry of the period referred to above.
- (R) In the event a general offer (including any take-over) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) with the terms of the offer having been approved by the holders of not less than nine-tenths in value of the Shares comprised in the offer within four months from the date of the offer and the offeror thereafter gives a notice to acquire the remaining Shares, the original Grantee (or the personal representative(s) of the deceased Grantee) may by notice in writing to the Company within 21 days of such notice exercise the option (to the extent which has become exercisable and not already exercised) to its full extent or to the extent specified in such notice. Subject to the above, an Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the expiry of the period referred to above.

- (S) The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the memorandum and articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and issue, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment and issue other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment and issue. A Grantee shall not be entitled to vote in any general meeting of the Company in respect of any of those outstanding Options yet to be exercised held by him unless he has exercised his Option(s) in accordance with the provisions of the New Share Option Scheme. Once a Grantee has exercised his Option(s) in accordance with the provisions of the New Share Option Scheme, he shall be entitled to vote in respect of those fully paid Shares allotted to him upon the exercise of his Option(s) in accordance with the memorandum and articles of association of the Company for the time being in force.
- (T) In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalization issue, rights issue, subdivision or consolidation of Shares or reduction of the share capital of the Company, such corresponding alterations must give a Grantee the same proportion of the equity capital as that to which that Grantee was previously entitled, but no such adjustments may be made to the extent that a Share would be issued at less than its nominal value. The issue of securities as consideration in a transaction may not be regarded as a circumstance such adjustment. In respect of any adjustments to be made as aforesaid, other than any made on a capitalisation issue, an independent financial adviser or the auditors for the time being of the Company must confirm to the Directors in writing that such adjustments are fair and reasonable and satisfy the requirements set out herein.
- (U) The New Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the New Share Option Scheme is conditionally adopted by resolution of the Shareholders at the AGM.
- (V) The Board may, with the consent of the relevant Grantee, at any time at its absolute discretion cancel any Option granted but not exercised. An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the date on which the Option is cancelled by the Board as provided above.
- (W) The Company by resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect. Upon termination of the New Share Option Scheme, any outstanding Options granted under the New Share Option Scheme shall continue to be subject to the provisions of the New Share Option Scheme and the provisions of Chapter 23 of the GEM Listing Rules.

- (X) The provisions of the New Share Option Scheme may be altered in any respect by resolution of the Board except that the definitions of “Grantee”, “Option Period” and “Participant” in sub-paragraph 1.1 of the New Share Option Scheme, the provisions of paragraphs and sub-paragraphs 4.1, 5.1, 5.2, 5.3, 6, 7, 8, 9, 10, 11 and 14 of the New Share Option Scheme and all such other matters set out in Rule 23.03 of the GEM Listing Rules cannot be altered to the advantage of the Participants without the prior approval of the Shareholders in general meeting. Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of the Options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme. The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 23 of the GEM Listing Rules. Any change to the authority of the Directors or scheme administrators in relation to any alteration to the terms of the New Share Option Scheme must be approved by the Shareholders in general meeting.
- (Y) The Company confirms that none of the Directors will be trustees of the New Share Option Scheme and accordingly, none of the Directors will have any direct or indirect interest in such trustees.
- (Z) A grant of Options may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been announced with the requirements of Chapter 16 of the GEM Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with Rule 17.48 of the GEM Listing Rules) for the approval of the Company’s results for any year, half-year period or quarterly period; and (ii) the deadline for the Company to publish announcement of its results for any year, half-year period or quarterly period under Rule 18.49 or 18.53 of the GEM Listing Rules, and ending on the date of the results announcement, no Option may be granted.

This Appendix serves as an explanatory statement, as required by the Share Repurchase Rules, to provide all the information reasonably necessary to enable Shareholders to make an informed decision on whether to approve the Share Repurchase Mandate. For the purpose of this Appendix, the term “Shares” shall be as defined in the Code on Share Repurchases to mean shares of all classes and securities which carry a right to subscribe or purchase shares.

1. GEM LISTING RULES

The GEM Listing Rules permit companies with a primary listing on the GEM to repurchase their securities on the Stock Exchange. The Shares proposed to be purchased by a company are fully paid up.

2. SHAREHOLDER’S APPROVAL

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

3. EXERCISE OF THE SHARE REPURCHASE MANDATE

As at the Latest Practicable Date, there were 2,026,309,500 Shares in issue. Subject to the passing of the Ordinary Resolution no. 6 and on the basis that no further Shares are issued or no Shares are repurchased prior to the AGM, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 202,630,950 Shares.

4. REASONS FOR THE REPURCHASE OF SHARES

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

5. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the applicable laws and regulations of the Cayman Islands and the memorandum and articles of association of the Company. It is envisaged that the funds required for any repurchase would be derived from those funds of the Company legally permitted to be utilised in this connection, including capital paid up on the Shares to be repurchased, funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares and any premium payable on a repurchase shall be provided out of funds of the Company otherwise available for dividend or distribution or sums standing to the share premium account of the Company.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the latest published audited consolidated accounts contained in the annual report for the year ended 30 June 2002 in the event that Share Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

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

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2001		
September	1.14	0.78
October	1.23	0.82
November	1.56	1.02
December	1.93	1.38
2002		
January	2.075	1.60
February	1.80	1.55
March	1.76	1.56
April	1.67	1.55
May	1.85	1.59
June	1.67	1.38
July	1.46	0.97
August	1.20	0.97

7. UNDERTAKING

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

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell Shares to the Company or its subsidiaries in the event that the Share Repurchase Mandate is approved by the Shareholders.

No connected person has notified the Company that he has a present intention to sell the Shares to the Company, or has undertaken not to do so in the event that the Company is authorised to make repurchases of Shares.

8. THE TAKEOVER CODE

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

As at the Latest Practicable Date, Sunco Resources Limited, which is a substantial shareholder of the Company, held approximately 84.86% of the issued share capital of the Company. In the event that the Share Repurchase Mandate is exercised in full, the interests of Sunco Resources Limited together with its associates would be increased to approximately 94.86% of the issued share capital of the Company and such increase would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeover Code. However, as the minimum amount of Shares to be held by the public cannot be less than 15% of the issued share capital of the company, the Directors will use their best endeavours to ensure that the Share Repurchase Mandate will not be exercised to the extent that the Company will infringe such minimum public float requirement.

9. SHARES PURCHASE BY THE COMPANY

During the six months preceding the Latest Practicable Date, details of the Shares repurchased by the Company on GEM are as follows:

Date of repurchases (DD/MM/YY)	No. of Shares repurchased	Price paid per Share		Aggregate price paid (HK\$)
		Highest (HK\$)	Lowest (HK\$)	
23/07/02	20,000	1.090	N/A	21,800.00
26/07/02	656,000	1.080	1.000	694,275.00
06/08/02	427,500	1.050	1.000	442,030.00
08/08/02	98,000	1.040	1.030	101,460.00
09/08/02	15,000	1.040	N/A	15,600.00
12/08/02	44,000	1.040	1.020	45,175.00
13/08/02	149,500	1.030	1.000	151,235.00
14/08/02	26,000	1.020	1.010	26,370.00
19/08/02	5,000	1.030	N/A	5,150.00
24/09/02	20,000	0.950	N/A	19,000.00
25/09/02	<u>94,000</u>	0.950	0.930	<u>88,470.00</u>
	<u>1,555,000</u>			<u>1,610,565.00</u>



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新意網集團有限公司*
SUNeVision Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

NOTICE IS HEREBY GIVEN that an annual general meeting of SUNeVision Holdings Limited (the “Company”) will be held at 53/F., Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Tuesday, 3 December 2002 at 12:30 p.m. for the following purposes:

- I. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company for the year ended 30 June 2002;
- II. To re-elect retiring directors of the Company and to fix the director’s remuneration;
- III. To re-appoint auditors of the Company and authorise the directors of the Company to fix their remuneration; and
- IV. As special business, for considering and, if thought fit, passing the following ordinary and/or special resolutions of the Company (as the case may be), with or without modifications:

SPECIAL RESOLUTIONS

1. “**THAT** the name of the Company be and is hereby changed to **SUNeVision Holdings Ltd.** 新意網集團有限公司 and **THAT** such new name of the Company be registered with the Registrar of Companies in the Cayman Islands under the Companies Law (2002 Revision) (Chapter 22 of the Laws of the Cayman Islands) and the Registrar of Companies in Hong Kong under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) and **THAT** the directors of the Company be and are hereby authorised to do all such acts, deeds and things as they may, in their absolute discretion, deem fit, to effect and implement the change of name of the Company.”
2. “**THAT**, subject to the passing of the Special Resolution no. 1 set out in the notice convening this meeting,
 - (i) the memorandum of association of the Company be and is hereby amended by deleting paragraph 1 in its entirety and substituting therefor the following paragraph:

The name of the Company is **SUNeVision Holdings Ltd.** 新意網集團有限公司.

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the articles of association of the Company be and are hereby amended by amending the definition of “the Company” in Article 2 to read:

the Company “the Company” or “this Company” shall mean **SUNeVision Holdings Ltd. 新意網集團有限公司.**”

3. “(i) **THAT** the articles of association of the Company be and are hereby amended in the following manner:

- (A) by adding the following definitions in Article 2:

the Company’s Website “the Company’s Website” shall mean the website of the Company, the address or domain name of which has been notified to members;

electronic “electronic” shall have the meaning given to it in the Electronic Transactions Law 2000 of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;

Electronic Signature “Electronic Signature” means an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication;

- (B) by amending the definitions of “Exchange”, “Listing Rules” and “writing/printing” to read as follows:

Exchange “Exchange” shall mean a stock exchange in respect of which the shares are listed or quoted and where such stock exchange deems such listing or quotation to be the primary listing or quotation of the shares;

Listing Rules “Listing Rules” shall mean the rules which govern the listing of the shares on the Exchange as amended from time to time;

writing/printing “writing” or “printing” shall include writing, printing, lithograph, photograph, type-writing and every other mode of representing words or figures in a legible and non-transitory form and, only where used in connection with a notice served by the Company on members or other persons entitled to receive notices hereunder, shall also include a record maintained in an electronic medium which is accessible in visible form so as to be useable for subsequent reference;

NOTICE OF ANNUAL GENERAL MEETING

- (C) by deleting the words “for so long as a recognized clearing house (in its capacity as such) is a member of the Company” from the end of Article 4;
- (D) by adding immediately following the words “in the newspapers” in the first sentence of Article 15(c) the words “, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided”;
- (E) by adding immediately following Article 16 the words “All certificates for shares shall be delivered personally or sent through the post addressed to the member entitled thereto at his registered address as appearing in the register”;
- (F) by deleting Article 28 and its marginal note in its entirety and substituting therefor the following paragraph and its marginal note:

Notice of call
may be published
in newspapers
or given by
electronic means

28. In addition to the giving of notice in accordance with Article 26, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members affected by notice published in the newspapers or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided.

- (G) by deleting Article 37 in its entirety and substituting therefor the following paragraph:
 - 37. Transfers of shares may be effected by an instrument of transfer in the usual common form or in such other form as the Board may approve, which is consistent with the standard form of transfer as prescribed by the Exchange and approved by the Board. All instruments of transfer must be left at the registered office of the Company or at such other place as the Board may appoint and all such instruments of transfer shall be retained by the Company.
- (H) by adding immediately following the words “in the newspapers” in the first sentence of Article 44 the words “or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided”;
- (I) by deleting Article 80(a), 80(b) and 80(c) in their entirety and substituting therefor the following sub-paragraphs:

80 (a) the Chairman of the meeting; or

NOTICE OF ANNUAL GENERAL MEETING

- (b) at least five members present in person or by proxy and entitled to vote; or
 - (c) any member or members present in person or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members having the right to attend and vote at the meeting; or
 - (d) any member or members present in person or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.
- (J) by adding immediately following the words “in the newspapers” in Article 157(a)(iv) the words “or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided”;
- (K) by adding immediately following Article 158 the following paragraph:

Notwithstanding any provision contained in these Articles, the Directors may, if permitted by applicable law, authorise the destruction of any documents referred to in this Article or any other documents in relation to share registration which have been microfilmed or electronically stored by the Company or by the share registrar on its behalf provided always that this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of such document might be relevant to a claim.

- (L) by deleting Article 163(b) in its entirety and substituting therefor the following paragraphs:
- 163 (b) Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting be sent in the manner in which notices may be served by the Company as provided herein to every member of the Company and every holder of debentures of the Company, provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.
- (c) To the extent permitted by and subject to due compliance with these Articles, the Law and all applicable rules and regulations, including, without limitation, the rules of the Exchange, and to obtaining all necessary consents, if any, required thereunder, the requirements of Article 163(b) shall be deemed satisfied in relation to any member or

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any holder of debentures of the Company by sending to such person instead of such copies, not less than 21 days before the date of the annual general meeting, in any manner not prohibited by these Articles and the Law, a summary financial statement derived from the Company's annual accounts, together with the Directors' report and the Auditor's report on such accounts, which shall be in the form and containing the information required by these Articles, the Law and all applicable laws and regulations, provided that any person who is otherwise entitled to the annual accounts of the Company, together with the Director's report and the Auditor's report thereon may, if he so requires, by notice in writing served on the Company, demand that the Company sends to him, in addition to the summary financial statement, a complete printed copy of the Company's annual accounts, together with the Directors' report and the Auditor's report thereon.

- (M) by deleting Article 167(a) in its entirety and substituting therefor the following paragraphs (and subsequently re-numbering former Article 167(b) as Article 167(c)):

- 167 (a) Except as otherwise provided in these Articles, any notice or document may be served by the Company and any notices may be served by the Board on any member either personally or by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's Website provided that the Company has obtained the member's prior express positive confirmation in writing to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in the newspapers. In the case of joint holders of a share, all notices shall be given to that holder for the time being one of the joint holders and notice so given shall be sufficient notice to all the joint holders.
- (b) Notwithstanding any election by a member from time to time to receive any notice or document through electronic means, such member or document, who for any reason have difficulty in receiving or gaining access to the corporate communication will promptly upon request be sent the corporate communication in printed form free of charge.

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(N) by adding immediately following the words “Any Member” in the second sentence of Article 168 the words “who has not given an express positive confirmation in writing to the Company to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and”;

(O) by adding at the end of Article 169 the following paragraph:

Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.

(P) by adding immediately after Article 169 the following new Article 169A and its marginal note:

Choice of
Language

169A. Where a person has in accordance with the Law and other applicable laws, rules and regulations consented to receive notices and other documents from the Company in English language only or the Chinese language only but not both, it shall be sufficient for the Company to serve on or deliver to him any notice or document in such language only in accordance with these presents unless and until there is a notice of revocation or amendment of such consent given or deemed to have given by such person to the Company in accordance with the Law and other applicable laws, rules and regulations which shall have effect in respect of any notice or document to be served on or delivered to such person subsequent to the giving of such notice of revocation or amendment.

(Q) by adding immediately after the word “address” in Article 170 the words “(including electronic number or address or website)”;

(R) by deleting the words “by post or left at the registered address of” and adding instead the word “to” in Article 172; and

(S) by adding immediately after Article 173 the words “or, where relevant, by Electronic Signature”;

(ii) **THAT** all references in the memorandum and articles of association of the Company to the Companies Law (1998 Revision) be and are hereby replaced by references to the Companies Law (2002 Revision);

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- (iii) **THAT** references in the memorandum and articles of association of the Company to the authorized share capital of the Company be amended to reflect the current figures; and
- (iv) **THAT** new memorandum and articles of association of the Company, consolidating all of the changes referred to above and in the form produced to the meeting, be and are hereby adopted with immediate effect in replacement of the existing memorandum and articles of association of the Company.”

ORDINARY RESOLUTIONS

4. “**THAT:**

- (A) subject to and conditional upon (a) the passing of an ordinary resolution by the shareholders of Sun Hung Kai Properties Limited (“SHKP”) at its general meeting (the “SHKP Meeting”) approving the adoption of the share option scheme of the Company (the “New Share Option Scheme”), the rules of which are contained in the document marked “A” produced to this meeting and for the purpose of identification signed by any director of the Company; and (b) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the Growth Enterprise Market (“GEM”) granting approval of the listing of, and permission to deal in, the shares of HK\$0.10 each in the capital of the Company (“Shares”) to be allotted and issued pursuant to the exercise of any options granted under the New Share Option Scheme, the New Share Option Scheme be and is hereby approved and adopted with effect from the date of this meeting or the date the New Share Option Scheme is approved at the SHKP Meeting, whichever is the later, and the directors of the Company be and are hereby authorized to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme including but without limitation:
 - (i) to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for Shares;
 - (ii) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment;
 - (iii) to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options under the New Share Option Scheme and subject to the Rules Governing the Listing of Securities on the GEM;

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- (iv) to make application at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the options under the New Share Option Scheme; and
 - (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme; and
- (B) subject to and conditional upon the passing of an ordinary resolution by the shareholders of SHKP in the SHKP Meeting approving the termination of the share option scheme of the Company for the employees (including any executive directors) of the Company and its subsidiaries, which was adopted by the Company in its general meeting on 29 February 2000 (the “Existing Share Option Scheme”), the Existing Share Option Scheme be and is hereby terminated with effect from the conclusion of this meeting or the conclusion of the SHKP Meeting, whichever is the later.”

5. **“THAT:**

- (A) subject to paragraph (C) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (“Shares”) and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (B) the approval in paragraph (A) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which might require the exercise of such power after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (A) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the grant or exercise of any option under the option scheme of the Company or any other option, scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; or (iii) any scrip dividends or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time;

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or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which carry rights to subscribe for are convertible into Shares, shall not exceed the aggregate of 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the authority pursuant to paragraph (A) of this resolution shall be limited accordingly; and

(D) for the purpose of this resolution:

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

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

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

6. **“THAT:**

- (A) subject to paragraph (B) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company (“Shares”) on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (“GEM”) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and GEM for this purpose, subject to and in

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accordance with the rules and regulations of the Securities and Futures Commission, The Stock Exchange of Hong Kong Limited or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

(B) the aggregate nominal amount of Shares which the Company is authorised to repurchase pursuant to the approval in paragraph (A) of this resolution during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution, and the said approval shall be limited accordingly; and

(C) for the purpose of this resolution,

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

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company, or any other applicable law of the Cayman Islands to be held; and
- (iii) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

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

By order of the Board
SUNeVision Holdings Limited
TAM Sai-ming, William
Company Secretary

Hong Kong, 30 September 2002

NOTICE OF ANNUAL GENERAL MEETING

Registered Office:

P O Box 309, Uglan House
South Church Street
George Town
Grand Cayman
Cayman Islands
British
West Indies

Head Office and Principal

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

Notes:

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint a person or persons as his or her proxy or proxies to attend and, on a poll, vote instead of him or her. A proxy need not be a shareholder of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting and in default thereof the form or proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiry of 12 months from the date of its execution.
3. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting in such event, the instrument appointing a proxy shall be deemed to be revoked.

* *For identification only*