



SUNeVision Holdings Ltd.

新意網集團有限公司

Stock code 股份代號：8008

2005-2006

Third Quarterly Report 第三季度業績報告

Results for the nine months ended 31 March 2006

截至2006年3月31日止九個月業績

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HIGHLIGHTS

- SUNeVision recorded a net profit of HK\$158.0 million in the first nine months of the financial year 2005/06, up from HK\$68.5 million in the corresponding period of the last financial year.
- As a result of higher revenue from increased occupancy of data centres and increased project works from last-mile connectivity businesses, the Group's turnover for the first nine months of the financial year was HK\$202.7 million, a moderate eleven percent increase over the corresponding period of the last financial year.
- Operating expenditures have been further reduced to HK\$31.0 million for the period under review.
- The Group's financial position remained strong with approximately HK\$1.58 billion in cash and interest-bearing securities on hand.

	Jul 2005 to Mar 2006 HK\$'M	(Restated) Jul 2004 to Mar 2005 HK\$'M
Turnover	202.7	183.0
Gross profit	80.6	68.7
– as a % of turnover	40%	38%
Operating expenditures*	(31.0)	(34.0)
Other revenue	114.1	33.8
Profit before taxation	163.7	68.5
Deferred taxation	(5.7)	–
Net profit	158.0	68.5

* Selling, general and administrative expenses

CHAIRMAN'S STATEMENT

SUNeVision recorded a net profit of HK\$158.0 million in the first nine months of the financial year 2005/06, up from HK\$68.5 million in the corresponding period of the last financial year.

Turnover from operations in the first nine months of the financial year 2005/06 was HK\$202.7 million, a moderate eleven percent increase against the corresponding period of the last financial year. Factors behind the change included higher revenue from increased occupancy of the Group's data centre business, and increased project works from the Group's last-mile connectivity businesses. Gross margin for the period was 40 percent, two percent higher than in the corresponding period of the last financial year.

Other revenue, being revenue in addition to turnover from operations, was HK\$114.1 million. This amount was significantly higher than that in the corresponding period of the last financial year due to the redemption of several bond holdings in the second quarter of the current financial year.

Operating expenditures were HK\$31.0 million, a moderate decline from the corresponding period of the last financial year. The Group's expenditures continued to fall as a result of continuous improvement in operations.

The Group's financial position remained strong with approximately HK\$1.58 billion of cash and interest-bearing securities on hand, compared to approximately HK\$1.39 billion in the corresponding period of the last financial year.

During the third quarter of the financial year, iAdvantage continued to add large multinational and local customers to its data centres in Hong Kong and China, including a leading global Internet search services provider. Overall occupancy was approximately 69 percent, a moderate improvement over the approximately 65 percent in the corresponding period of the last financial year.

In the remainder of the financial year, iAdvantage will continue to strengthen its market position and attract world-class businesses to its data centres in Hong Kong and China. The Group will also continue to strengthen its other businesses. As noted in the Interim Report for the current financial year, the Group aims to improve upon last year's recurring profit so that the payment of dividend to shareholders may be considered at the end of the financial year.

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

KWOK Ping-luen, Raymond

Chairman

Hong Kong, 11 May 2006

CHIEF EXECUTIVE OFFICER'S REPORT

OVERVIEW

SUNeVision posted a net profit of HK\$158.0 million in the first nine months of the 2005/06 financial year, up from HK\$68.5 million in the corresponding period of the last financial year.

Turnover from operations in the first nine months of the 2005/06 financial year was HK\$202.7 million, a moderate eleven percent increase over the corresponding period of the last financial year. Factors behind the change included higher revenue from increased occupancy of the Group's data centres, and increased project works in the Group's last-mile connectivity businesses. Gross margin for the period was 40 percent, two percent higher than in the corresponding period of the last financial year.

Other revenue, being revenue in addition to turnover from operations, was HK\$114.1 million. This amount was significantly higher than that in the corresponding period of the last financial year due to the redemption of several bond holdings in the second quarter.

Operating expenditures were HK\$31.0 million, a nine percent decline from the corresponding period of the last financial year. The Group's expenditures continued to fall as a result of continuous improvement in operations.

The Group's financial position remained strong with approximately HK\$1.58 billion in cash and interest-bearing securities on hand, compared to approximately HK\$1.39 billion in the corresponding period of the last financial year.

BUSINESS REVIEW

Data infrastructure

iAdvantage continued to grow its position as the leading carrier-neutral data centre operator in Hong Kong and on the Mainland. World-class data centre facilities and custom-developed solutions enabled iAdvantage to continue to meet or exceed the stringent requirements of its customers.

During the third quarter, iAdvantage secured a leading global Internet search services provider as exclusive occupier of one of iAdvantage's data centres on the Mainland. The company is currently working on opportunities involving both large-scale primary installations as well as major disaster recovery services.

During the third quarter **Super e-Technology** won new business installing its SMATV system in a new and prestigious property development. The company's regular SMATV service continued to deliver reliable programming for a pay TV operator. The company's digital video recorder and super e-shooter surveillance solutions also continued to attract new residential estate and shopping mall customers.

Increased demand for domestic residential broadband services and commercial Wi-Fi services enabled **Super e-Network** to expand its business. The company is currently designing the broadband infrastructure at the Hunghom Peninsula and has begun network installation at Manhattan Hill in West Kowloon.

Enabling services

SuperHome continued to provide its customers with a wide range of information and value-added services from around the world, 24 hours a day, tailored to the needs of residents of individual estates.

SuperStreets' mortgage referral business was stable during the period under review, and continued to produce stable income for the Group.

The Group's **Red-Dots** e-commerce platform continued to serve its members in Hong Kong with reliable transactions and superior offerings. Red-Dots continue to explore opportunities to expand its core business in e-commerce.

Investment

The Group stayed with its prudent and conservative approach to investing and continues to evaluate investment opportunities routinely. Funds are only committed where there are demonstrably attractive returns. No further provisions were made to the existing investment portfolio during the period under review.

I would like to close by thanking all our staff for their commitment and hard work, and our shareholders for their continued trust and support.

SO Sing-tak, Andrew

Chief Executive Officer

Hong Kong, 11 May 2006

QUARTERLY RESULTS

For the period ended 31 March 2006

The Board of Directors (the "Board") of SUNeVision Holdings Ltd. (the "Company" or "SUNeVision") 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 2006 together with the comparative unaudited figures for the corresponding periods in 2005 as follows:

	Notes	(Unaudited) Three months ended 31 March		(Unaudited) Nine months ended 31 March	
		(Restated)		(Restated)	
		2006 HK\$'000	2005 HK\$'000	2006 HK\$'000	2005 HK\$'000
Turnover	2	70,340	62,585	202,723	182,975
Cost of sales		(42,782)	(37,980)	(122,075)	(114,328)
Gross profit		27,558	24,605	80,648	68,647
Other revenue	3	17,967	12,446	114,068	33,808
		45,525	37,051	194,716	102,455
Selling expenses		1,590	1,601	4,860	4,885
Administrative expenses		9,035	8,180	26,167	29,071
Profit from operations		34,900	27,270	163,689	68,499
Finance charges on finance leases		–	–	–	3
Profit before taxation		34,900	27,270	163,689	68,496
Taxation	4	(2,238)	–	(5,694)	–
Profit attributable to equity holders of the Company		32,662	27,270	157,995	68,496
Earnings per share	5				
– Basic		1.61 cents	1.35 cents	7.80 cents	3.38 cents
– Diluted		N/A	1.35 cents	N/A	N/A

Notes:**1. Basis of preparation**

The unaudited consolidated results have been prepared in accordance with accounting principles generally accepted in Hong Kong which include Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards and Interpretations (collectively, "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants.

The principal accounting policies used in the unaudited consolidated results are consistent with those followed in the preparation of the Group's financial statements for the year ended 30 June 2005, except that the Group has changed certain of its accounting policies following its adoption of the applicable new HKFRSs which are effective for accounting periods beginning on or after 1 January 2005.

The changes to the Group's accounting policies and the effect of adopting these new HKFRSs have been set out in the notes to the unaudited consolidated results for the three months ended 30 September 2005.

The comparative figures for 2005 presented have incorporated the effect of adjustments, where applicable, resulting from the adoption of the new HKFRSs.

2. Turnover

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

3. Other revenue

	Three months ended 31 March		Nine months ended 31 March	
	2006 HK\$'000	2005 HK\$'000	2006 HK\$'000	2005 HK\$'000
Gain (Loss) on redemption/ disposal of debt securities	–	–	65,043	(1,201)
Interest income	17,674	12,035	48,218	34,065
Others	293	411	807	944
	17,967	12,446	114,068	33,808

4. Taxation

	Three months ended 31 March		Nine months ended 31 March	
	2006 HK\$'000	2005 HK\$'000	2006 HK\$'000	2005 HK\$'000
Deferred taxation relating to origination and reversal of temporary differences	2,238	–	5,694	–

No tax is payable on the profit for both periods arising in Hong Kong since the estimated assessable profit is wholly absorbed by tax losses brought forward.

5. Earnings per share

The calculation of the basic earnings per share is based on the unaudited profit attributable to equity holders of the Company for the three months and nine months ended 31 March 2006 of HK\$32,662,000 and HK\$157,995,000 (three months and nine months ended 31 March 2005: HK\$27,270,000 and HK\$68,496,000) and on the weighted average number of 2,026,730,833 (three months and nine months ended 31 March 2005: 2,026,363,426 and 2,026,252,001) ordinary shares in issue during the respective periods.

No diluted earnings per share is presented for the three months ended 31 March 2006, the nine months ended 31 March 2005 and 2006 as the exercise price of the Company's outstanding share options was higher than the average market price of the shares of the Company during the periods.

5. Earnings per share (continued)

The computation of diluted earnings per share for the three months ended 31 March 2005 is based on the unaudited profit attributable to equity holders of the Company of HK\$27,270,000 and on the weighted average number of 2,026,391,010 shares, after adjusting for the effects of all dilutive potential ordinary shares during the period.

6. Reserves

	Three months ended 31 March							2005
	2006							
	Share	Exchange	Property	Investment	Shared-based	Accumulated	Total	(Restated) Total
	Premium	Reserve	Revaluation	Revaluation	Payment	Losses		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At beginning of the period, as restated	3,869,076	336	6,233	(7,226)	1,251	(977,237)	2,892,433	2,827,518
Exchange difference arising on translation of the People's Republic of China operations	-	(2)	-	-	-	-	(2)	-
Change in fair value on investments	-	-	-	5,397	-	-	5,397	(7,775)
Employee share options benefits	-	-	-	-	356	-	356	128
Profit attributable to equity holders of the Company	-	-	-	-	-	32,662	32,662	27,270
Issue of new shares upon exercise of share options	-	-	-	-	-	-	-	709
At end of the period	3,869,076	334	6,233	(1,829)	1,607	(944,575)	2,930,846	2,847,850

6. Reserves (continued)

	Nine months ended 31 March							(Restated) Total HK\$'000	
	2006								2005
	Share Premium HK\$'000	Exchange Reserve HK\$'000	Property Revaluation Reserve HK\$'000	Investment Revaluation Reserve HK\$'000	Shared-based Payment		Total HK\$'000		
					Transactions Reserve HK\$'000	Accumulated Losses HK\$'000			
At beginning of the period, as restated	3,869,076	336	6,233	(4,522)	812	(1,040,230)	2,831,705	2,779,652	
Exchange difference arising on translation of the People's Republic of China operations	-	(2)	-	-	-	-	(2)	-	
Change in fair value on investments	-	-	-	4,909	-	-	4,909	(1,670)	
Release upon disposals of investments	-	-	-	(2,216)	-	(62,340)	(64,556)	279	
Employee share options benefits	-	-	-	-	795	-	795	384	
Profit attributable to equity holders of the Company	-	-	-	-	-	157,995	157,995	68,496	
Issue of new shares upon exercise of share options	-	-	-	-	-	-	-	709	
At end of the period	<u>3,869,076</u>	<u>334</u>	<u>6,233</u>	<u>(1,829)</u>	<u>1,607</u>	<u>(944,575)</u>	<u>2,930,846</u>	<u>2,847,850</u>	

DIVIDEND

The Board does not recommend the payment of an interim dividend for the nine months ended 31 March 2006 (2005: Nil).

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 31 March 2006, the interests and short positions of Directors and Chief Executive in shares and, in respect of equity derivatives, underlying shares and debentures of the Company and its Associated Corporations as required to be disclosed under and within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") were as follows:

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

Name of director	Personal	Child under 18 or spouse	Others	Equity derivatives (share option)	Total	% of shares in issue
Kwok Ping-luen, Raymond	-	-	1,742,500*	116,666	1,859,166	0.09
Kwok Ping-sheung, Walter	-	-	1,070,000*	60,000	1,130,000	0.05
Kwok Ping-kwong, Thomas	-	-	1,070,000*	60,000	1,130,000	0.05
So Sing-tak, Andrew	-	-	-	1,800,000	1,800,000	0.08
Chan Kui-yuen, Thomas	-	-	-	60,000	60,000	0
Wong Yick-kam, Michael	100,000	-	-	60,000	160,000	0
Leung Kui-king, Donald <i>(Resigned with effect from 1 January 2006)</i>	-	-	-	60,000	60,000	0
So Chung-keung, Alfred	416	543	-	260,000	260,959	0.01
Tung Chi-ho, Eric	-	-	-	60,000	60,000	0
Wong Chin-wah	-	-	-	260,000	260,000	0.01
Tung Yiu-kwan, Stephen	-	-	-	510,000	510,000	0.02

Note:

- * Of these shares in the Company, Messrs. Kwok Ping-luen, Raymond, Kwok Ping-sheung, Walter and Kwok Ping-kwong, Thomas were deemed to be interested in 1,070,000 shares, which represented the same interests and were therefore duplicated amongst these three Directors for the purpose of the SFO.

2. Long positions in shares and underlying shares of Sun Hung Kai Properties Limited

Name of director	Child under 18			Others	Equity derivatives (share option)	Total	% of shares in issue
	Personal	or spouse	Corporate				
Kwok Ping-luen, Raymond	-	-	-	1,079,815,895*	75,000	1,079,890,895	44.97
Kwok Ping-sheung, Walter	-	-	-	1,078,622,522*	75,000	1,078,697,522	44.92
Kwok Ping-kwong, Thomas	1,901,281	304,065	-	1,076,672,214*	75,000	1,078,952,560	44.93
Chan Kui-yuen, Thomas	-	66,000	126,500	-	75,000	267,500	0.01
Wong Yick-kam, Michael	70,904	-	-	-	75,000	145,904	0
Leung Kui-king, Donald (Resigned with effect from 1 January 2006)	10,000	-	-	-	-	10,000	0
So Chung-keung, Alfred	189,985	6,500	-	-	60,000	256,485	0.01
Tung Chi-ho, Eric	-	-	-	-	-	-	0
Wong Chin-wah	-	-	-	-	36,000	36,000	0
Tung Yiu-kwan, Stephen	-	-	-	-	-	-	0

Note:

- # Of these shares in SHKP, Messrs. Kwok Ping-luen, Raymond, Kwok Ping-sheung, Walter and Kwok Ping-kwong, Thomas were deemed to be interested in 1,056,638,347 shares, which represented the same interests and were therefore duplicated amongst these three Directors for the purpose of the SFO.

3. Long positions in shares and underlying shares of other Associated Corporations

- (a) SmarTone Telecommunications Holdings Limited:

Name of director	Child under 18 or spouse		Others	% of shares in issue
Kwok Ping-luen, Raymond	-	-	2,237,767	0.38
Li On-kwok, Victor	5,000	-	-	0

3. Long positions in shares and underlying shares of other Associated Corporations *(continued)*

- (b) Each of Messrs. Kwok Ping-luen, Raymond, Kwok Ping-sheung, Walter and Kwok Ping-kwong, Thomas had the following interests in shares of the following Associated Corporations:

Name of associated corporation	Personal	Attributable		Actual holding through corporation	Actual % interests in issued shares
		Attributable holding through corporation	% of shares in issue through corporation		
Superindo Company Limited	10	-	-	-	10
Super Fly Company Limited	10	-	-	-	10
Splendid Kai Limited	-	2,500*	25	1,500	15
Hung Carom Company Limited	-	25*	25	15	15
Tinyau Company Limited	-	1*	50	1	50
Open Step Limited	-	8*	80	4	40

Note:

- * Messrs. Kwok Ping-luen, Raymond, Kwok Ping-sheung, Walter and Kwok Ping-kwong, Thomas were deemed to be interested in these shares, which represented the same interests and were therefore duplicated amongst these three Directors for the purpose of the SFO. Those shares were held by corporations in which they were entitled to control the exercise of one third or more of the voting rights in the general meetings of those corporations.

The interests of the Directors and the Chief Executive in the share options (being regarded for the time being as unlisted physically settled equity derivatives) of the Company and its Associated Corporations are stated in detail in the following sub-section 4 and Share Option Schemes section below.

4. Sun Hung Kai Properties Limited Share Options

SHKP once adopted a share option scheme on 20 November 1997 ("the Old Scheme"). Since its adoption, SHKP had granted two lots of share options on 15 February 2000 and 16 July 2001. The first lot expired on 14 February 2005; while options granted and accepted under the second lot can still be exercised in whole before 15 July 2006, thereafter the options will expire.

4. Sun Hung Kai Properties Limited Share Options *(continued)*

SHKP by ordinary resolutions passed at its extraordinary general meeting held on 5 December 2002 has adopted a new share option scheme (“the New Scheme”) and terminated the Old Scheme in order to comply with the new requirements under the then revised Chapter 17 of the Listing Rules. No further options may be offered under the Old Scheme. However, the outstanding options granted under the Old Scheme mentioning in the following paragraphs shall continue to be subject to the provisions of the Old Scheme and the revised provisions of Chapter 17 of the Listing Rules. No option shares have been granted under the New Scheme to any person since its adoption.

The following shows the outstanding positions of the Directors and the Chief Executive as at 31 March 2006 with respect to their share options granted under the Old Scheme:

Name of director	Date of grant	Exercise price HK\$	Number of share options				Balance as at 31.3.2006
			Balance as at 1.7.2005	Granted during the period	Exercised during the period	Cancelled/Lapsed during the period	
Kwok Ping-luen, Raymond	16.7.2001	70.00	75,000	-	-	-	75,000
Kwok Ping-sheung, Walter	16.7.2001	70.00	75,000	-	-	-	75,000
Kwok Ping-kwong, Thomas	16.7.2001	70.00	75,000	-	-	-	75,000
Chan Kui-yuen, Thomas	16.7.2001	70.00	75,000	-	-	-	75,000
Wong Yick-kam, Michael	16.7.2001	70.00	75,000	-	-	-	75,000
Leung Kui-king, Donald <i>(Resigned with effect from 1 January 2006)</i>	16.7.2001	70.00	36,000	-	36,000	-	0
So Chung-keung, Alfred	16.7.2001	70.00	60,000	-	-	-	60,000
Tung Chi-ho, Eric	16.7.2001	70.00	60,000	-	60,000	-	0
Wong Chin-wah	16.7.2001	70.00	36,000	-	-	-	36,000
Tung Yiu-kwan, Stephen	16.7.2001	70.00	24,000	-	24,000	-	0

Save as disclosed above, as at 31 March 2006, none of the Directors and the Chief Executive of the Company were, under Divisions 7 and 8 of Part XV of the SFO, taken to be interested or deemed to have any other interests or short positions in shares, underlying shares or debentures of the Company and its Associated Corporations, that were required to be entered into the register kept by the Company pursuant to section 352 of the SFO or were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in GEM Listing Rule 5.46.

SHARE OPTION SCHEMES

1. Pre-IPO Share Options

The Company had adopted a share option scheme "Pre-IPO Share Options", the principal terms of which were summarized in the section headed "Statutory and General Information Share Option Schemes" in Appendix 5 to the Company's prospectus dated 6 March 2000. Since its adoption, the Company had granted four lots of share options.

The options at the exercise price of HK\$10.38 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (a) one-third of the options within three years commencing on 31 December 2000;
- (b) a further one-third of the options within three years commencing on 31 December 2001;
- (c) the remaining one-third of the options within three years commencing on 31 December 2002; and
- (d) the options had expired at the close of business on 30 December 2005.

The options at the price of HK\$3.885 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (a) one-third of the options within three years commencing on 15 November 2001;
- (b) a further one-third of the options within three years commencing on 15 November 2002;
- (c) the remaining one-third of the options within three years commencing on 15 November 2003; and
- (d) the options will expire at the close of business on 14 November 2006.

The options at the exercise price of HK\$2.34 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (a) one-third of the options within three years commencing on 20 March 2002;
- (b) a further one-third of the options within three years commencing on 20 March 2003;
- (c) the remaining one-third of the options within three years commencing on 20 March 2004; and
- (d) the options will expire at the close of business on 19 March 2007.

1. Pre-IPO Share Options *(continued)*

The options at the exercise price of HK\$1.43 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (a) one-third of the options within three years commencing on 8 July 2003;
- (b) a further one-third of the options within three years commencing on 8 July 2004;
- (c) the remaining one-third of the options within three years commencing on 8 July 2005; and
- (d) the options will expire at the close of business on 7 July 2008.

2. SUNeVision Share Options

The Company by shareholders' resolutions passed at its Annual General Meeting held on 3 December 2002, has adopted a share option scheme "SUNeVision Share Options" and terminated the Pre-IPO Share Options. These have become effective on 5 December 2002 as a result of the passing of ordinary resolutions approving the same by the shareholders of the Company's holding company, SHKP, at its general meeting held on the same day. No further options may be offered under the Pre-IPO Share Options. However, the outstanding options granted under the Pre-IPO Share Options, as mentioned in the preceding paragraphs, shall continue to be subject to the provisions of the Pre-IPO Share Options and the provisions of Chapter 23 of the GEM Listing Rules. Since its adoption, the Company had granted two lots of share options.

The options at the exercise price of HK\$1.59 per share may be exercised in accordance with the terms of the relevant scheme as to:

- (a) an amount up to one-third of the grant within three years commencing on 29 November 2004;
- (b) the remaining amount but up to two-thirds of the grant within three years commencing on 29 November 2005;
- (c) the remaining amount within three years commencing on 29 November 2006; and
- (d) the options will expire at the close of business on 28 November 2009.

The options at the exercise price of HK\$1.41 per share may be exercised in accordance with the terms of the relevant scheme in full at any time within three years from 10 November 2005 and the options will expire at the close of business on 9 November 2008.

2. SUNeVision Shares Options (continued)

The following shows the outstanding positions of the Directors and Chief Executive as at 31 March 2006 with respect to their Pre-IPO Share Options and SUNeVision Share Options:

Name of director	Date of grant	Exercise price HK\$	Number of share options				Balance as at 31.3.2006
			Balance as at 1.7.2005	Granted during the period	Exercised during the period	Cancelled/ Lapsed during the period	
Kwok Ping-luen, Raymond	28.3.2000	10.38	251,666	-	-	251,666	-
	7.4.2001	2.34	233,333	-	-	116,667	116,666
							116,666
Kwok Ping-sheung, Walter	28.3.2000	10.38	138,334	-	-	138,334	-
	7.4.2001	2.34	120,000	-	-	60,000	60,000
							60,000
Kwok Ping-kwong, Thomas	28.3.2000	10.38	138,334	-	-	138,334	-
	7.4.2001	2.34	120,000	-	-	60,000	60,000
							60,000
So Sing-tak, Andrew	8.7.2002	1.43	400,000	-	-	-	400,000
	29.11.2003	1.59	400,000	-	-	-	400,000
	10.11.2005	1.41	-	1,000,000	-	-	1,000,000
							1,800,000
Chan Kui-yuen, Thomas	28.3.2000	10.38	170,000	-	-	170,000	-
	7.4.2001	2.34	120,000	-	-	60,000	60,000
							60,000
Wong Yick-kam, Michael	28.3.2000	10.38	120,000	-	-	120,000	-
	7.4.2001	2.34	120,000	-	-	60,000	60,000
							60,000
Leung Kui-king, Donald (Resigned with effect from 1 January 2006)	28.3.2000	10.38	120,000	-	-	120,000	-
	7.4.2001	2.34	120,000	-	-	60,000	60,000
							60,000
So Chung-keung, Alfred	28.3.2000	10.38	120,000	-	-	120,000	-
	7.4.2001	2.34	120,000	-	-	60,000	60,000
	29.11.2003	1.59	200,000	-	-	-	200,000
							260,000
Tung Chi-ho, Eric	28.3.2000	10.38	120,000	-	-	120,000	-
	7.4.2001	2.34	120,000	-	-	60,000	60,000
							60,000
Wong Chin-wah	28.3.2000	10.38	120,000	-	-	120,000	-
	7.4.2001	2.34	120,000	-	-	60,000	60,000
	29.11.2003	1.59	200,000	-	-	-	200,000
							260,000
Tung Yiu-kwan, Stephen	28.3.2000	10.38	120,000	-	-	120,000	-
	7.4.2001	2.34	120,000	-	-	60,000	60,000
	29.11.2003	1.59	200,000	-	-	-	200,000
	10.11.2005	1.41	-	250,000	-	-	250,000
							510,000

3. Share Option Schemes of Subsidiaries

In addition to the Pre-IPO Share Options and the SUNeVision Share Options, the Group operates another share option scheme which was approved for iAdvantage Limited, a subsidiary of the Company, allowing its Board of Directors the right to grant to its full-time employees and Executive Directors options to subscribe for its shares in aggregate up to 10% of its issued capital from time to time. The exercise period of any option granted under the share option scheme of iAdvantage Limited shall commence on the date of grant of the option and expire on such date as determined by the Board of iAdvantage Limited or 28 February 2010, whichever is the earlier, and subject to the provisions for early termination contained therein. No option shares for iAdvantage Limited have been granted to any person since its adoption as required to be disclosed under the GEM Listing Rules.

4. Arrangement to purchase shares or debentures

Other than the share option schemes as mentioned above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 31 March 2006, the long positions of every person, other than a Director or the Chief Executive of the Company, being 10% or more in the interest in shares of the Company as recorded in the register required to be kept under section 336 of the SFO, were as follows:

Name	Total number of shares	% of shares in issue
Sunco Resources Limited ¹ ("Sunco")	1,713,613,500	84.55
SHKP ²	1,713,613,500	84.55
HSBC International Trustee Limited ³	1,717,623,249	84.74

Notes:

1. Sunco is the beneficial owner of the 1,713,613,500 shares.
2. As Sunco is a wholly-owned subsidiary of SHKP, SHKP is deemed to have interest in the 1,713,613,500 shares of the Company held by Sunco by virtue of the SFO.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS *(continued)*

3. HSBC International Trustee Limited is deemed to have interest in the 1,713,613,500 shares of the Company held by SHKP. Of the shares in SHKP in which HSBC International Trustee Limited was interested, 1,056,638,347 shares were the shares referred to in Note to sub-section 2 of the section on "Directors' and Chief Executive's Interests".

Save as disclosed above, as at 31 March 2006, none of the substantial shareholders were taken to be interested or deemed to have any other interests or short positions in shares, underlying shares or debentures of the Company that were required to be entered into the register kept by the Company pursuant to section 336 of the SFO.

INTERESTS OF OTHER PERSONS

As at 31 March 2006, other than the interests in shares and underlying shares of the Company and its Associated Corporations held by the Directors, Chief Executive and substantial shareholders stated above, there were no other persons with interests recorded in the register required to be kept under section 336 of the SFO.

MANAGEMENT SHAREHOLDERS

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

DIRECTORS' INTERESTS IN COMPETING BUSINESS

The Independent Non-Executive Directors of the Company, Professor Kao Kuen, Charles and Professor Li On-kwok, Victor, are well recognized leaders in the field of information technology development and have been appointed to various positions including consultants and Directors to institutions and business entities which are engaged in research, development and business. These institutions and business entities may be in competition with the Group.

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

AUDIT COMMITTEE

The audit committee has four members comprising three Independent Non-Executive Directors, Professor Kao Kuen, Charles (Chairman), Professor Li On-kiwok, Victor and Dr. Fong Ching, Eddy and one Non-Executive Director, Mr. Cheung Wing-yui, with terms of reference in compliance with the GEM Listing Rules. The Audit Committee has reviewed the draft of this Report and has provided advice and comments thereon.

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

During the nine months ended 31 March 2006, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

By Order of the Board

KWOK Ping-luen, Raymond
Chairman

Hong Kong, 11 May 2006

SUNeVision Holdings Ltd.

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