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*This announcement, for which the directors (the "Directors") of SUNEVISION HOLDINGS LTD. (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*



## **SUNEVISION HOLDINGS LTD.**

**新意網集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8008)**

## **HALF-YEAR RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2015**

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

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

## HIGHLIGHTS

- SUNeVision reported a profit attributable to owners of the Company of HK\$246.5 million for the six months ended 31 December 2015, a 0.5% increase over the same period last year
- Revenue for the period was HK\$483.0 million, a 7.8% increase over the same period last year, due principally to higher revenue from the Group's data centre operation as a result of healthy rental reversion from existing customers and business growth from new customers
- Gross profit for the period increased to HK\$310.9 million, with gross margin for the period at 64.4%
- Operating expenditures for the period increased to HK\$25.2 million, mainly due to enhancement in services, facilities and additional resources in sales and marketing in preparation for the growth in the data centre business, and increase in rental expenses for additional space at MEGA Two (Sha Tin) for a confirmed major tenant moving in this year
- The Group's financial position remains strong, with approximately HK\$1,053.1 million in cash and interest-bearing securities on hand. As at 31 December 2015, the Group had a bank borrowing of HK\$200 million

	<b>Jul to Dec 2015 HK\$'M</b>	Jul to Dec 2014 HK\$'M
Revenue	<b><u>483.0</u></b>	<u>448.0</u>
Gross profit	<b>310.9</b>	298.9
Other income	<b>8.7</b>	14.6
Operating expenditure *	<b><u>(25.2)</u></b>	<u>(22.9)</u>
Profit before taxation	<b>294.4</b>	290.6
Income tax expense	<b><u>(47.9)</u></b>	<u>(45.3)</u>
Profit for the period attributable to owners of the Company	<b><u>246.5</u></b>	<u>245.3</u>

\* Selling, general and administrative expenses

## CHAIRMAN'S STATEMENT

SUNeVision attained a profit attributable to owners of the Company of HK\$246.5 million for the six months ended 31 December 2015 of the financial year 2015/16, which represented a slight increase of HK\$1.2 million over the same period last year.

Revenue of the Group for the period was HK\$483.0 million, representing an increase of 7.8% compared to the same period last year. This was mainly due to a growth in revenue from the Group's data centre operations. During the period, iAdvantage continued to win new businesses and renew existing contracts with major multinational and local customers. Growth in revenue and rental reversion from existing customers is healthy. Gross profit of the Group rose to HK\$310.9 million, with gross margin for the period at 64.4%.

Operating expenditure increased to HK\$25.2 million, because of an expansion in sales and marketing resources in light of the expansion at MEGA Two and MEGA Plus (Tseung Kwan O), and increase in rental expenses for additional data centre floors at MEGA Two for a confirmed major tenant moving in this year. Overall, profit attributable to owners of the Company rose slightly to HK\$246.5 million for the first half of 2015/16 financial year.

The Group's financial position remains strong with approximately HK\$1,053.1 million in cash and interest-bearing securities on hand as of 31 December 2015, after the payment of a HK\$495.2 million final dividend for the 2014/15 financial year in November 2015. With the development of new data centre, MEGA Plus in Tseung Kwan O, a HK\$1 billion term loan facility was arranged by the end of the period and was partially drawn down for a medium-term bank borrowing of HK\$200 million. The Group will continue to be prudent in its financial management to meet the funding needs for the development of MEGA Plus and MEGA Two.

The Group is transforming the MEGA Two facility in Sha Tin into a pure data centre. The expansion in MEGA Two has been timely in capturing the increasing demand of cloud service providers, and we are completing the fit-out for new customers to move in over the next few quarters.

Construction of MEGA Plus has been progressing smoothly and is well on track for completion in 2017. When finished, it will be a state-of-the-art data centre on the only piece of data centre-dedicated land in Hong Kong. These investments and new capacity will further strengthen the Group's capacity to satisfy the increasing demand for high-tier, extensively connected data centres.

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

**Kwok Ping-luen, Raymond**  
*Chairman*

Hong Kong, 1 February 2016

# CHIEF EXECUTIVE OFFICER'S REPORT

## OVERVIEW

SUNeVision reported its unaudited results for the first half of the 2015/16 financial year with a profit attributable to owners of the Company of HK\$246.5 million, a slight increase of 0.5% over the same period last year. The growth in profitability was primarily attributable to data centre business.

## BUSINESS REVIEW

### *iAdvantage*

During the period, iAdvantage secured various new orders from new and existing customers of its data centres, mainly comprising of telecommunication and cloud service providers. The increase in revenue from existing customers has been strong, with healthy reversion during renewals. Meanwhile, iAdvantage also continues to work on several major enhancements and expansion projects to maintain its position as a leading carrier-neutral data centre operator in Hong Kong. The optimization of its flagship MEGA facility in Chai Wan will enable better services for the increasing loading requirements of existing customers, as well as provide more capacity for new clients.

Expansion of the capacity in MEGA Two in Sha Tin continues. Upon completion of its conversion into a dedicated data centre building later this year, MEGA Two will also have instantaneous and reliable connectivity to MEGA in Chai Wan and serve as a resilient extension of MEGA to meet the needs of our customers.

With the development of MEGA Plus due for completion in 2017, iAdvantage will be competitive as the top choice for customers demanding strong connectivity, high security and low latency for their mission-critical operations. We will continue to maintain a strong presence in traditional sectors like financial services and telecommunications, while at the same time, be well positioned for capturing businesses from fast-growing segments such as cloud services and content distribution.

In addition to the investment in capacity, there are continuous improvements at existing data centres and sales and marketing resources are expanded to strengthen our current capability for further growth to serve our customers.

### *Super e-Technology*

During the first half of the 2015/16 financial year, Super e-Technology successfully secured contracts for the installation of security surveillance, SMATV and IT systems with a combined sum of approximately HK\$11 million. Super e-Technology recognizes the second half of the financial year will be challenging for the security surveillance and SMATV sectors under an uncertain economic environment, but it will continue to actively pursue opportunities to expand its service offerings.

### *Super e-Network*

Super e-Network continues to capture new business providing wireless LAN infrastructure in shopping malls. It is proactively seeking opportunities to bid for new projects and to expand its client base.

## **INVESTMENT**

SUNeVision has always been prudent in its approach to financial management. At the same time, it is also committed to continued investments in existing and new infrastructure to enhance the further development of its businesses.

## **OTHER FINANCIAL DISCUSSION AND ANALYSIS**

The Group practises prudent financial management and has a strong balance sheet, with ample liquidity and financial resources. The Group's financial position remains strong after the payment of a HK\$495.2 million final dividend for the 2014/15 financial year in November 2015. The Group's cash and interest-bearing securities on hand amounted to approximately HK\$1,053.1 million and it had a medium-term bank borrowing of HK\$200 million as of the end of the period. The Group remained in net cash position (i.e. bank balances and deposits less bank borrowing) after the raising of the medium-term bank borrowing. With funding requirements for the development of the new facility in Tseung Kwan O in the short to medium terms, the Group will constantly review and assess its dividend policy and external financing strategy for the best interests of shareholders.

As of 31 December 2015, the Company had contingent liabilities in respect of guarantees for general banking facilities utilized by the Group's subsidiaries and other guarantees in the aggregate amount of HK\$212.4 million.

The Group's core operations are based in Hong Kong and its assets are primarily in Hong Kong or US dollars. It had no significant exposure to foreign exchange rate fluctuations. As of 31 December 2015, the Group had not pledged any of its assets, and there were no material acquisitions or disposals of subsidiaries or affiliated companies during the period under review.

## **EMPLOYEES**

As of 31 December 2015, the Group had 188 full-time employees. The Group is keen to motivate and retain talent, and continues to offer career progression opportunities and hold periodical reviews of compensation to recognize employee contributions and respond to changes in the employment market. Payroll costs increased as we expanded our footprint of data centres, but we believe these are worthwhile investments. We are keen to keep our best talent so bonuses were paid to selected employees to recognize outstanding performance.

Other remuneration and benefits, including medical coverage and provident fund contributions, remained at competitive levels. Various training and development opportunities continued to be offered to enhance employee capabilities. The Group also offers a share-option scheme to recognize employees who make significant contributions.

I would like to close by thanking members of the Board for their support and guidance, our staff for their dedication and commitment, and our shareholders and customers for their continued confidence and support.

**Yan King-shun, Peter**  
*Chief Executive Officer*

Hong Kong, 1 February 2016

# Consolidated Income Statement

For the three and six months ended 31 December 2015

	Notes	(Unaudited)		(Unaudited)	
		Three months ended		Six months ended	
		31 December		31 December	
		2015	2014	2015	2014
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue		<b>243,715</b>	223,051	<b>483,047</b>	448,014
Cost of sales		<b>(87,275)</b>	(73,995)	<b>(172,122)</b>	(149,131)
Gross profit		<b>156,440</b>	149,056	<b>310,925</b>	298,883
Other income	3	<b>4,986</b>	7,104	<b>8,720</b>	14,656
Selling expenses		<b>(2,199)</b>	(2,423)	<b>(4,048)</b>	(3,921)
Administrative expenses		<b>(10,597)</b>	(9,485)	<b>(21,199)</b>	(19,008)
Profit before taxation		<b>148,630</b>	144,252	<b>294,398</b>	290,610
Income tax expense	4	<b>(24,108)</b>	(22,531)	<b>(47,920)</b>	(45,293)
Profit for the period attributable to owners of the Company	5	<b>124,522</b>	121,721	<b>246,478</b>	245,317
Earnings per share	6				
- Basic (Remark)		<b>3.08 cents</b>	3.01 cents	<b>6.10 cents</b>	6.07 cents

Remark:

Upon completion of the bonus issue of shares (with a convertible note alternative) on 25 November 2010, the Company had 2,342,675,478 ordinary shares in issue and outstanding notes convertible into 1,720,292,188 fully paid ordinary shares, representing a total of 4,062,967,666 shares which form the basis for the calculation of basic earnings per share. Adjustments are made in respect of shares repurchased. Details of earnings per share calculation and the Company's share capital are set out in notes 6 and 13 respectively.

# Consolidated Statement of Comprehensive Income

For the three and six months ended 31 December 2015

	(Unaudited) Three months ended 31 December		(Unaudited) Six months ended 31 December	
	2015 HK\$'000	2014 HK\$'000	2015 HK\$'000	2014 HK\$'000
Profit for the period	<b>124,522</b>	121,721	<b>246,478</b>	245,317
Other comprehensive income/(expense) for the period Items that may be reclassified subsequently to the consolidated income statement:				
Change in fair value of investments	<b>2,199</b>	(3,836)	<b>2,680</b>	(6,376)
Exchange differences arising from translation of operations outside Hong Kong	<b>(12)</b>	(10)	<b>(30)</b>	1
	<b>2,187</b>	(3,846)	<b>2,650</b>	(6,375)
Total comprehensive income for the period	<b>126,709</b>	117,875	<b>249,128</b>	238,942
Total comprehensive income attributable to:				
Owners of the Company	<b>126,972</b>	118,037	<b>249,729</b>	238,941
Non-controlling interests	<b>(263)</b>	(162)	<b>(601)</b>	1
	<b>126,709</b>	117,875	<b>249,128</b>	238,942

# Consolidated Statement of Financial Position

At 31 December 2015

	Notes	(Unaudited) 31 December 2015 HK\$'000	(Audited) 30 June 2015 HK\$'000
<b>Non-current assets</b>			
Investment properties		<b>1,357,000</b>	1,357,000
Property, plant and equipment	7	<b>1,623,336</b>	1,504,265
Investments	8	<b>425,611</b>	399,562
		<b>3,405,947</b>	3,260,827
<b>Current assets</b>			
Investments	8	<b>39,735</b>	85,556
Inventories		<b>3,686</b>	1,953
Trade and other receivables	9	<b>124,470</b>	82,203
Amounts due from customers for contract works		<b>5,949</b>	8,935
Bank balances and deposits		<b>591,482</b>	768,515
		<b>765,322</b>	947,162
<b>Current liabilities</b>			
Trade and other payables	10	<b>381,513</b>	316,336
Deferred revenue	11	<b>35,384</b>	34,714
Tax payables		<b>70,776</b>	110,724
		<b>487,673</b>	461,774
Net current assets		<b>277,649</b>	485,388
Total assets less current liabilities		<b>3,683,596</b>	3,746,215
<b>Non-current liabilities</b>			
Bank borrowing	12	<b>200,000</b>	-
Deferred tax liabilities		<b>76,950</b>	79,247
Deferred revenue	11	<b>136,354</b>	150,610
		<b>413,304</b>	229,857
		<b>3,270,292</b>	3,516,358
<b>Capital and reserves</b>			
Share capital	13	<b>232,237</b>	232,237
Reserve arising from issuance of convertible notes	13	<b>172,003</b>	172,003
Other reserves		<b>2,852,651</b>	3,098,116
Equity attributable to owners of the Company		<b>3,256,891</b>	3,502,356
Non-controlling interests		<b>13,401</b>	14,002
Total equity		<b>3,270,292</b>	3,516,358

# Consolidated Statement of Changes in Equity

For the six months ended 31 December 2015

	Attributable to owners of the Company								
	2015								
	Share capital	Share premium	Reserve arising from issuance of convertible notes	Exchange reserve	Investments revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Note)						
At 1 July 2015	232,237	2,315,239	172,003	1,487	1,123	780,267	3,502,356	14,002	3,516,358
Profit for the period	-	-	-	-	-	246,478	246,478	-	246,478
Change in fair value of investments	-	-	-	-	2,680	-	2,680	-	2,680
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	571	-	-	571	(601)	(30)
Total comprehensive income/(expense) for the period	-	-	-	571	2,680	246,478	249,729	(601)	249,128
Conversion of convertible notes (note 13)	-	-	-	-	-	-	-	-	-
Final dividend and distribution paid	-	-	-	-	-	(495,194)	(495,194)	-	(495,194)
<b>At 31 December 2015</b>	<b>232,237</b>	<b>2,315,239</b>	<b>172,003</b>	<b>2,058</b>	<b>3,803</b>	<b>531,551</b>	<b>3,256,891</b>	<b>13,401</b>	<b>3,270,292</b>

	Attributable to owners of the Company								
	2014								
	Share capital	Share premium	Reserve arising from issuance of convertible notes	Exchange reserve	Investments revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Note)						
At 1 July 2014	232,234	2,315,239	172,006	1,490	11,958	674,124	3,407,051	13,998	3,421,049
Profit for the period	-	-	-	-	-	245,317	245,317	-	245,317
Change in fair value of investments	-	-	-	-	(6,376)	-	(6,376)	-	(6,376)
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	-	-	-	-	1	1
Total comprehensive income/(expense) for the period	-	-	-	-	(6,376)	245,317	238,941	1	238,942
Final dividend and distribution paid	-	-	-	-	-	(463,259)	(463,259)	-	(463,259)
<b>At 31 December 2014</b>	<b>232,234</b>	<b>2,315,239</b>	<b>172,006</b>	<b>1,490</b>	<b>5,582</b>	<b>456,182</b>	<b>3,182,733</b>	<b>13,999</b>	<b>3,196,732</b>

## Note:

Pursuant to an ordinary resolution in relation to the bonus issue of shares (with a convertible note alternative) passed at the extraordinary general meeting of the Company held on 1 November 2010, 311,191,645 bonus shares of HK\$0.1 each were issued on 25 November 2010 on the basis of one bonus share for every existing share held by the shareholders of the Company whose names appeared on the register of members of the Company on 1 November 2010.

Reserve arising from issuance of convertible notes was then capitalised from the Company's share premium account for the purpose of issue of new shares upon conversion of the convertible notes ("Notes") which were constituted by the deed poll dated 25 November 2010. This reserve balance represented the aggregate amount of the Notes outstanding at the period end. 1,500 (2014: Nil) of the Notes were exercised and converted into shares by noteholders during the six months ended 31 December 2015. As a result, 1,720,026,833 (2014: 1,720,059,135) of the Notes remained outstanding as at 31 December 2015.

The Notes are unlisted, non-transferable and irredeemable but have conversion rights entitling the noteholders to convert into an equivalent number of shares as the number of bonus shares which the noteholders would otherwise be entitled to receive under the bonus issue had the shareholder not elected for the Notes. The Notes do not carry voting rights at any general meeting of shareholders of the Company. The noteholders can exercise the conversion rights at anytime after the issue of the Notes, subject to the terms and conditions of the deed poll constituting the Notes. The Notes were recognised as equity and are presented in reserves as reserve arising from issuance of convertible notes.

# Condensed Consolidated Statement of Cash Flows

For the six months ended 31 December 2015

	<b>(Unaudited)</b>	
	<b>Six months ended</b>	
	<b>31 December</b>	
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Net cash from operating activities	<b>255,838</b>	222,478
Net cash used in investing activities	<b>(137,636)</b>	(11,051)
Net cash used in financing activities	<b>(295,194)</b>	(463,259)
Net decrease in cash and cash equivalents	<b>(176,992)</b>	(251,832)
Cash and cash equivalents at 1 July	<b>768,515</b>	885,111
Effect of foreign exchange rate changes	<b>(41)</b>	-
Cash and cash equivalents at 31 December, represented by bank balances and deposits	<b>591,482</b>	633,279

# Notes to the Condensed Interim Financial Statements

## 1. BASIS OF PREPARATION

The Group's condensed interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and with the applicable disclosure requirements of Chapter 18 to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. The principal accounting policies used in the condensed interim financial statements are consistent with those followed in the preparation of the Group's financial statements for the year ended 30 June 2015. The financial statements are unaudited but have been reviewed by the Audit Committee.

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards. For those which are effective for accounting periods beginning 1 July 2015, the application has no material impact on the reported results and the financial position of the Group for the current and/or prior accounting periods. For those which are not yet effective, the Group is in the process of assessing their impact on the Group's results and financial position.

## 2. SEGMENT INFORMATION

Segment profit represents the profit earned by each segment without allocation of central administrative costs, directors' emoluments, interest income and investment income. This is the measure reported to the Group's management, being the chief operating decision maker, for the purposes of resource allocation and performance assessment.

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

- (a) Data centre and IT facilities cover the provision of data centre, facilities management, web applications and value added services.
- (b) Satellite master antenna television ("SMATV"), communal aerial broadcast distribution ("CABD"), structural cabling and security systems comprise installation and maintenance services for the respective systems.
- (c) Properties holding refers to the Group's interests in investment properties which generate rental and other related income.

2. SEGMENT INFORMATION (continued)

**Segment revenue and results**

An analysis of the Group's revenue and results, substantially derived from Hong Kong, by reportable segment is as follows:

**For the six months ended 31 December 2015**

	Data centre and IT facilities <i>HK\$'000</i>	SMATV, CABD, structural cabling and security systems <i>HK\$'000</i>	Properties holding <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Consolidated total <i>HK\$'000</i>
<b>REVENUE</b>					
External	393,620	59,671	29,756	-	483,047
Inter-segment	540	176	1,182	(1,898)	-
Total	<u>394,160</u>	<u>59,847</u>	<u>30,938</u>	<u>(1,898)</u>	<u>483,047</u>
<b>RESULTS</b>					
Segment results	<u>261,597</u>	<u>10,738</u>	<u>24,559</u>	<u>-</u>	<u>296,894</u>
Unallocated corporate expenses					(10,761)
Interest income					7,861
Investment income					404
Profit before taxation					<u>294,398</u>

**For the six months ended 31 December 2014**

	Data centre and IT facilities <i>HK\$'000</i>	SMATV, CABD, structural cabling and security systems <i>HK\$'000</i>	Properties holding <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Consolidated total <i>HK\$'000</i>
<b>REVENUE</b>					
External	371,837	46,798	29,379	-	448,014
Inter-segment	564	176	1,151	(1,891)	-
Total	<u>372,401</u>	<u>46,974</u>	<u>30,530</u>	<u>(1,891)</u>	<u>448,014</u>
<b>RESULTS</b>					
Segment results	<u>253,605</u>	<u>9,098</u>	<u>23,984</u>	<u>-</u>	<u>286,687</u>
Unallocated corporate expenses					(10,420)
Interest income					13,592
Investment income					751
Profit before taxation					<u>290,610</u>

Inter-segment sales are charged at prevailing market rates.

The Group does not report regularly segment assets and liabilities to the chief operating decision maker and therefore no analysis of segment assets and liabilities is presented.

## 3. OTHER INCOME

	<b>Six months ended 31 December</b>	
	<b>2015</b>	2014
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Interest income	7,861	13,592
Investment income	404	751
Miscellaneous	455	313
	<b>8,720</b>	14,656
	=====	=====

## 4. INCOME TAX EXPENSE

	<b>Six months ended 31 December</b>	
	<b>2015</b>	2014
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Hong Kong profits tax	50,217	49,742
Deferred tax credit	(2,297)	(4,449)
	<b>47,920</b>	45,293
	=====	=====

Hong Kong profits tax is calculated at 16.5% (2014: 16.5%) on the estimated assessable profits for the period.

## 5. PROFIT FOR THE PERIOD

	<b>Six months ended 31 December</b>	
	<b>2015</b>	2014
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	48,913	53,259
	=====	=====

## 6. EARNINGS PER SHARE

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

	Three months ended 31 December		Six months ended 31 December	
	2015 HK\$'000	2014 HK\$'000	2015 HK\$'000	2014 HK\$'000
Earnings for the purposes of basic earnings per share	<b>124,522</b> =====	121,721 =====	<b>246,478</b> =====	245,317 =====
	2015 Number of shares	2014 Number of shares	2015 Number of shares	2014 Number of shares
Weighted average number of ordinary shares for the purposes of basic earnings per share	<b>4,042,399,666</b> =====	4,042,399,666 =====	<b>4,042,399,666</b> =====	4,042,399,666 =====

For the purposes of earnings per share, the weighted average number of ordinary shares is calculated after taking into account the effect of the issuance of bonus shares (with a convertible note alternative) in November 2010. Details of the issuance of bonus shares are set out in note 13.

There were no other dilutive potential ordinary shares in existence during the three months and six months ended 31 December 2015 and 2014.

## 7. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 December 2015, additions to fixed assets amounted to HK\$167,986,000.

## 8. INVESTMENTS

	31 December 2015 HK\$'000	30 June 2015 HK\$'000
Available-for-sale investments:		
Listed debt securities, at fair value	<b>461,636</b>	481,408
Unlisted equity technology investments, at cost less impairment	<b>3,710</b>	3,710
	<b>465,346</b> =====	485,118 =====
Carrying amount analysed for reporting purposes as:		
Non-current assets	<b>425,611</b>	399,562
Current assets (debt securities maturing within one year)	<b>39,735</b>	85,556
	<b>465,346</b> =====	485,118 =====

## 9. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade receivables of HK\$70,840,000 (30 June 2015: HK\$50,998,000), of which 94% aged within 60 days, 2% between 61 to 90 days and 4% more than 90 days (30 June 2015: 88%, 5% and 7% respectively).

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

## 10. TRADE AND OTHER PAYABLES

	<b>31 December 2015 HK\$'000</b>	30 June 2015 HK\$'000
Trade payable aged within 60 days	<b>59,839</b>	16,896
Trade payable aged over 60 days	<b>182</b>	-
	<b>60,021</b>	16,896
Other payables	<b>1,261</b>	17,346
Deposits received and accruals	<b>320,231</b>	282,094
	<b>381,513</b>	316,336

## 11. DEFERRED REVENUE

Deferred revenue represents lump sum amounts received from customers for the set-up of facilities in respect of operating leases of data centre and IT facilities.

The carrying amount of deferred revenue is as follows:

	<b>31 December 2015 HK\$'000</b>	30 June 2015 HK\$'000
Current liabilities (release to the consolidated income statement within one year)	<b>35,384</b>	34,714
Non-current liabilities	<b>136,354</b>	150,610
	<b>171,738</b>	185,324

## 12. BANK BORROWING

During the period, the Group obtained a new bank loan amounting to HK\$200,000,000 (30 June 2015: Nil). The loan carries interest at the Hong Kong Interbank Offered Rate plus a specific margin and is wholly repayable in December 2018. The proceeds are used to finance the development of the data centre project - construction in progress.

13. SHARE CAPITAL

	Number of ordinary shares	Amount HK\$'000
Ordinary shares of HK\$0.1 each		
Authorised:		
At 1 July 2014, 30 June 2015 and <b>31 December 2015</b>	<b>10,000,000,000</b>	<b>1,000,000</b>
Issued and fully paid:		
At 1 July 2014	2,322,340,531	232,234
Conversion of convertible notes	30,802	3
At 30 June 2015	2,322,371,333	232,237
Conversion of convertible notes	1,500	-
<b>At 31 December 2015</b>	<b>2,322,372,833</b>	<b>232,237</b>

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

Convertible notes in the amount of HK\$172,029,218.80 were issued to shareholders who elected for the convertible note alternative, and the same amount was capitalised from the Company's share premium account as reserve arising from issuance of convertible notes. Holders of the convertible notes are entitled to convert into an equivalent number of shares as the number of bonus shares which the noteholders would otherwise be entitled to receive under the bonus issue. Accordingly, convertible notes can be converted into ordinary shares of HK\$0.1 each on a one-to-one basis.

During the six months ended 31 December 2015, convertible notes in the amount of HK\$150 (2014: Nil) were exercised and converted into 1,500 (2014: Nil) ordinary shares of the Company.

	Number of fully paid ordinary shares to be issued/(issued) upon conversion	Amount HK\$'000
At 1 July 2014	1,720,059,135	172,006
Conversion of convertible notes	(30,802)	(3)
At 30 June 2015	1,720,028,333	172,003
Conversion of convertible notes	(1,500)	-
<b>At 31 December 2015</b>	<b>1,720,026,833</b>	<b>172,003</b>

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

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

#### 14. RELATED PARTY TRANSACTIONS

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

##### (a) Transactions with Sun Hung Kai Properties Group

	<b>Six months ended</b>	
	<b>31 December</b>	
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Income from maintenance and repair of network infrastructure and security systems	<b>27,619</b>	25,965
Income from installation, operation and provision of cable networking	<b>25,725</b>	13,907
Space and rack rental income	<b>1,686</b>	1,919
Lease, licence and management fee charges	<b>19,123</b>	9,870
Property management service fees paid	<b>5,136</b>	4,763
Maintenance and repair charges of network infrastructure and security system	<b>1,758</b>	1,650
Network infrastructure and security system installation charges	<b>4,267</b>	300
Management fee charges	<b>1,000</b>	1,000
Insurance service charges paid	<b>863</b>	892
Estate agency fees paid	<b>804</b>	786
Cable and network rental charges	<b>397</b>	398
Technical service charges paid	<b>323</b>	352
Construction work charges	<b>121,168</b>	-
Project management fee charges	-	900
	=====	=====

##### (b) Transaction with a director

During the period, professional fees of HK\$48,000 (2014: HK\$26,000) were paid/payable by the Group to Messrs. Woo, Kwan, Lee & Lo, a firm of solicitors which provided professional services to the Group. Mr. Cheung Wing-yui, a director of the Company, is a consultant of Messrs. Woo, Kwan, Lee & Lo.

##### (c) Compensation of key management personnel

Fees, salaries and other benefits paid/payable by the Group to the key management personnel during the period amounted to HK\$3,860,000 (2014: HK\$3,801,000).

## 15. FAIR VALUES MEASUREMENT OF FINANCIAL INSTRUMENTS

The Group's major financial instruments include trade and other receivables, bank balances and deposits, available-for-sale investments, trade and other payables and bank borrowing.

The following table presents the carrying value of financial instruments that are measured at fair value at end of reporting date, categorised according to the level of fair value hierarchy defined as follows:

Level 1 - Fair values measured at quoted prices (unadjusted) in active markets for identical assets or liabilities.

	<b>31 December 2015 HK\$'000</b>	30 June 2015 HK\$'000
Available-for-sale investments:		
Listed debt securities (Level 1)	<b>461,636</b> =====	481,408 =====

Listed investments are stated at quoted market prices. Unlisted equity investments for which fair values cannot be reliably measured are stated at cost less impairment losses.

The carrying amounts of financial assets and liabilities recorded at amortised costs in the financial statements approximate to their fair values.

There was no transfer of financial assets and liabilities between fair value hierarchy classifications during the six months ended 31 December 2015.

## 16. CAPITAL COMMITMENTS

	<b>31 December 2015 HK\$'000</b>	30 June 2015 HK\$'000
Capital expenditure in respect of acquisition of plant and equipment contracted for but not provided in the financial statements	<b>26,332</b> =====	10,990 =====
Capital expenditure in respect of development of construction in progress contracted for but not provided in the financial statements	<b>937,590</b> =====	1,067,849 =====

## 17. CONTINGENT LIABILITIES

As at 31 December 2015, the Company has contingent liabilities in respect of guarantees for general banking facilities utilised by group subsidiaries and other performance guarantees in the aggregate of HK\$212,445,000 (30 June 2015: HK\$12,445,000).

## **DIVIDEND**

The board of Directors of the Company (the "Board") does not recommend the payment of an interim dividend for the six months ended 31 December 2015 (2014: Nil).

## **INTERESTS IN COMPETING BUSINESS**

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

Save as disclosed above, none of the Directors or the controlling shareholders of the Company or their respective close associates (as defined in the GEM Listing Rules) have any interest in any business which competes or may compete with the business of the Group during the six months ended 31 December 2015.

## **AUDIT COMMITTEE**

The Audit Committee has four members comprising three Independent Non-Executive Directors, Mr. Wong Kai-man (Chairman of the Committee), Professor Li On-kwok, Victor and Professor King Yeo-chi, Ambrose, and one Non-Executive Director, Mr. Cheung Wing-yui, with written terms of reference in compliance with the GEM Listing Rules. The Audit Committee has reviewed the half-year results for the six months ended 31 December 2015 and has provided advice and comments thereon.

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

During the six months ended 31 December 2015, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

## **CORPORATE GOVERNANCE CODE**

Throughout the six months ended 31 December 2015, the Group has complied with the code provisions in the Corporate Governance Code as set out in Appendix 15 of the GEM Listing Rules, except that the Chairman of the Board was unable to attend the annual general meeting of the Company held on 30 October 2015 due to other commitments.

By order of the Board  
**SUNEVISION HOLDINGS LTD.**  
**Wong Man-cheung**  
*Company Secretary*

Hong Kong, 1 February 2016

*As at the date of this announcement, the Board comprises four Executive Directors, being Kwok Ping-luen, Raymond, Yan King-shun, Peter, Tung Chi-ho, Eric and Wong Chin-wah; four Non-Executive Directors, being Cheung Wing-yui, Fung Yuk-lun, Allen, Tsim Wing-kit, Alfred and Siu Hon-wah, Thomas; and five Independent Non-Executive Directors, being Li On-kwok, Victor, King Yeo-chi, Ambrose, Wong Kai-man, Kwok Kwok-chuen and Lee Wai-kwong, Sunny.*

*This announcement will remain on the "Latest Company Announcements" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of 7 days from the date of publication and on the website of the Company at [www.sunevision.com](http://www.sunevision.com).*