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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 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 2013

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\$223.2 million for the six months ended 31 December 2013
- The Group's revenue was HK\$415.9 million for the period, representing an increase of HK\$46.3 million over the same period last year
- Gross profit for the reporting period improved to HK\$264.0 million, principally a result of further improvement in our data centre business
- Other income, being income in addition to revenue from operations, was HK\$18.1 million for the half year period
- Operating expenditures were HK\$18.9 million and at a level similar to that for the same period of the previous financial year
- The Group's financial position remained strong with approximately HK\$969 million in cash and interest-bearing securities on hand

	Jul to Dec 2013 HK\$'M	Jul to Dec 2012 HK\$'M
Revenue	<u>415.9</u>	<u>369.6</u>
Gross profit	264.0	215.8
Other income	18.1	19.1
Operating expenditures *	<u>(18.9)</u>	<u>(19.1)</u>
Profit before taxation	263.2	215.8
Income tax expense	<u>(40.0)</u>	<u>(32.1)</u>
Profit for the period attributable to the owners of the Company	<u>223.2</u>	<u>183.7</u>

* Selling, general and administrative expenses

CHAIRMAN'S STATEMENT

SUNeVision attained a profit attributable to owners of the Company of HK\$223.2 million for the six months ended 31 December 2013 of the financial year 2013/14. This profit level represented a period-on-period increase of HK\$39.5 million.

Revenue of the Group was HK\$415.9 million for the period, an increase of HK\$46.3 million over the same period last year while gross profit improved to HK\$264.0 million, principally a result of further improvement in our data centre business.

Other income, being income in addition to revenue from operations, was HK\$18.1 million for the half year period.

Operating expenditures were HK\$18.9 million and at a level similar to that for the same period of the previous financial year.

The Group continued a stable revenue growth and maintained its effective cost management practice resulting in an improved profitability. After allowing for taxation, the Group reported a profit attributable to the owners of the Company of HK\$223.2 million for the first half of 2013/14 financial year, representing a 21.5% increase over the same period in the last financial year.

The Group's financial position remained strong with approximately HK\$969 million in cash and interest-bearing securities on hand as of 31 December 2013 after the payment of the land premium of HK\$428 million for the Tseung Kwan O data centre land and the dividend payout of HK\$407 million for financial year 2012/13 in November 2013.

The Group has embarked on the development of its new flagship high-tier data centre at Tseung Kwan O upon the award of the site by the Government in October 2013. The development signified the strong commitment of the Group to further expand its business to optimise shareholders return and to meet the requirements of its customers.

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

Kwok Ping-luen, Raymond
Chairman

Hong Kong, 6 February 2014

CHIEF EXECUTIVE OFFICER'S REPORT

OVERVIEW

SUNeVision reported its unaudited results for the first half year ended 31 December 2013 with a profit attributable to the owners of the Company of HK\$223.2 million, continuing our profitability growth primarily from further improvements of our data centre business.

Subsequent to the award of the Tseung Kwan O high-tier data centre land by the Government in October 2013, the Group soon commenced the detailed planning of its new flagship high-tier data centre in Tseung Kwan O. With this development, we will have an expanded business capacity and extensive data centre location choices to meet the increasing demand of our customers.

BUSINESS REVIEW

iAdvantage

Business performance of iAdvantage in the first half of 2013/14 financial year continued to be strong and encouraging. Expansion of existing service facilities in Sha Tin and further optimisation of data centre facilities in Chai Wan has continued to play an important role to provide business capacity in the near term in meeting existing and new customer needs. These data centre facilities will continue to be customers' preferred choice in terms of location, infrastructure, building facilities and services.

In October 2013, the Company was awarded the site at Tseung Kwan O designated for high-tier data centre purposes at a land premium of HK\$428 million. The land premium was fully paid in November 2013.

Right after the acquisition of the site at Tseung Kwan O, the Company began the planning of the construction of a high-tier data centre.

iAdvantage has maintained its competitive advantage in providing high quality data centre infrastructure through its various ISO certified services and its proven track record. The development of the new flagship data centre facilities in Tseung Kwan O will further enhance our location choices to customers and further strengthen our competitive position.

Super e-Technology

Super e-Technology successfully secured contracts with a combined contract sum of approximately HK\$37 million for the installation of Extra Low Voltage (ELV) and Information Technology (IT) systems during the last six months.

Super e-Technology is actively pursuing opportunities in related industry sectors and increasing penetration of Internet Protocol based technologies. Overall Super e-Technology maintains a positive outlook with regards to growth in the ELV and IT sectors.

Super e-Network

Super e-Network continued to work with broadband service and network traffic management providers to improve its service and solutions. It will maintain its momentum in exploring new opportunities to further expand its broadband deployment and WIFI services to different sectors.

INVESTMENT

The Group has maintained prudent financial management and continued to invest in existing infrastructure to enhance the further development of its core businesses.

OTHER FINANCIAL DISCUSSION AND ANALYSIS

The Group practices prudent financial management and has a strong balance sheet, with strong liquidity and financial resources. After the land premium payment of HK\$428 million for the Tseung Kwan O data centre land and the 2012/13 dividend payout of HK\$407 million in November 2013, the Group had cash and interest-bearing securities of approximately HK\$969 million and had no gearing (calculated on the basis of net debt to shareholders' funds) as at the period end.

As of 31 December 2013, the Company had contingent liabilities in respect of guarantees for general banking facilities utilised by the Group's subsidiaries and other guarantees in the aggregate amount of HK\$63.6 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 2013, the Group had not pledged any of its assets, and there were no material acquisitions or disposals of subsidiaries or affiliated companies during the period under review.

There has been no change in the Group's equity technology investment portfolio since 30 June 2013.

EMPLOYEES

As of 31 December 2013, the Group had 170 full-time employees. The Group is keen to motivate and retain talent and continues to offer career progression opportunities and hold periodical review on compensation to recognise employees' contributions and to respond to changes in the employment market. Payroll costs remained stable during the period, and bonuses were paid to selected employees to recognise outstanding performance. Other remuneration and benefits, including medical coverage and provident fund contributions, remained at appropriate levels. Various training and development opportunities continued to be offered to enhance employees' capabilities. The Group also offers a share-option scheme to recognise employees who make significant contributions.

I would like to close by thanking the directors of the Board for their support and guidance, all members of the 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, 6 February 2014

Consolidated Income Statement

For the three and six months ended 31 December 2013

	Notes	(Unaudited) Three months ended 31 December		(Unaudited) Six months ended 31 December	
		2013	2012	2013	2012
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue		211,130	188,456	415,915	369,614
Cost of sales		(76,097)	(76,509)	(151,907)	(153,759)
Gross profit		135,033	111,947	264,008	215,855
Other income	3	8,517	9,549	18,058	19,092
Selling expenses		(890)	(1,371)	(1,892)	(3,100)
Administrative expenses		(8,808)	(8,016)	(16,984)	(15,997)
Profit before taxation		133,852	112,109	263,190	215,850
Income tax expense	4	(20,515)	(16,750)	(40,015)	(32,135)
Profit for the period attributable to the owners of the Company	5	113,337	95,359	223,175	183,715
Earnings per share	6				
- Basic (Remark)		2.80 cents	2.36 cents	5.52 cents	4.54 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 12 respectively.

Consolidated Statement of Comprehensive Income

For the three and six months ended 31 December 2013

	(Unaudited) Three months ended 31 December		(Unaudited) Six months ended 31 December	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
Profit for the period	113,337	95,359	223,175	183,715
Other comprehensive (expense)/income for the period Items that may be reclassified subsequently to the consolidated income statement:				
Change in fair value of investments	(2,461)	2,787	(41)	13,381
Exchange differences arising from translation of operations outside Hong Kong	27	25	40	14
	(2,434)	2,812	(1)	13,395
Total comprehensive income for the period	110,903	98,171	223,174	197,110
Total comprehensive income attributable to:				
Owners of the Company	110,783	98,062	222,989	197,045
Non-controlling interests	120	109	185	65
	110,903	98,171	223,174	197,110

Consolidated Statement of Financial Position

At 31 December 2013

	Notes	(Unaudited) 31 December 2013 HK\$'000	(Audited) 30 June 2013 HK\$'000
Non-current assets			
Investment properties		1,161,000	1,161,000
Property, plant and equipment	7	1,481,720	1,063,218
Investments	8	355,171	353,621
		2,997,891	2,577,839
Current assets			
Investments	8	116,947	118,538
Inventories		3,345	3,164
Trade and other receivables	9	64,769	65,024
Amounts due from customers for contract works		7,184	4,366
Bank balances and deposits		500,582	1,111,223
		692,827	1,302,315
Current liabilities			
Trade and other payables	10	291,255	246,634
Deferred revenue	11	35,021	34,226
Amounts due to customers for contract works		390	390
Tax payables		49,961	86,193
		376,627	367,443
Net current assets		316,200	934,872
Total assets less current liabilities		3,314,091	3,512,711
Non-current liabilities			
Deferred tax liabilities		84,478	85,031
Deferred revenue	11	161,286	175,457
		245,764	260,488
Capital and reserves			
Share capital	12	232,234	232,234
Reserve arising from issuance of convertible notes	12	172,006	172,006
Other reserves		2,649,844	2,833,925
Equity attributable to owners of the Company		3,054,084	3,238,165
Non-controlling interests		14,243	14,058
Total equity		3,068,327	3,252,223

Consolidated Statement of Changes in Equity

For the six months ended 31 December 2013

	Attributable to owners of the Company 2013								Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Reserve arising from issuance of convertible notes HK\$'000 (Note)	Exchange reserve HK\$'000	Investments revaluation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	
At 1 July 2013	232,234	2,315,239	172,006	1,410	21,571	495,705	3,238,165	14,058	3,252,223
Profit for the period	-	-	-	-	-	223,175	223,175	-	223,175
Change in fair value of investments	-	-	-	-	(41)	-	(41)	-	(41)
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	(145)	-	-	(145)	185	40
Total comprehensive (expense)/income for the period	-	-	-	(145)	(41)	223,175	222,989	185	223,174
Conversion of convertible notes	-	-	-	-	-	-	-	-	-
Final dividend and distribution paid	-	-	-	-	-	(407,070)	(407,070)	-	(407,070)
At 31 December 2013	232,234	2,315,239	172,006	1,265	21,530	311,810	3,054,084	14,243	3,068,327

	Attributable to owners of the Company 2012								Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Reserve arising from issuance of convertible notes HK\$'000 (Note)	Exchange reserve HK\$'000	Investments revaluation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non- controlling interests HK\$'000	
At 1 July 2012	232,223	2,315,239	172,017	1,651	34,696	295,570	3,051,396	13,753	3,065,149
Profit for the period	-	-	-	-	-	183,715	183,715	-	183,715
Change in fair value of investments	-	-	-	-	13,381	-	13,381	-	13,381
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	(51)	-	-	(51)	65	14
Total comprehensive (expense)/income for the period	-	-	-	(51)	13,381	183,715	197,045	65	197,110
Final dividend and distribution paid	-	-	-	-	-	(330,668)	(330,668)	-	(330,668)
At 31 December 2012	232,223	2,315,239	172,017	1,600	48,077	148,617	2,917,773	13,818	2,931,591

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. 500 of the Notes were exercised and converted into shares by noteholders during the six months ended 31 December 2013 (2012: Nil). As a result, 1,720,059,135 of the Notes remained outstanding as at 31 December 2013 (2012: 1,720,170,135).

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 2013

	(Unaudited)	
	Six months ended	
	31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net cash from operating activities	244,789	236,102
Net cash used in investing activities	(448,387)	(80,591)
Cash used in financing activities	(407,070)	(330,668)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(610,668)	(175,157)
Cash and cash equivalents at 1 July	1,111,223	975,991
Effect of foreign exchange rate changes	27	18
	<hr/>	<hr/>
Cash and cash equivalents at 31 December, represented by bank balances and deposits	500,582	800,852
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Interim Financial Statements

1. BASIS OF PREPARATION

The Group's interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and with the applicable disclosure requirements of Chapter 18 to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited. The principal accounting policies used in the interim financial statements are consistent with those followed in the preparation of the Group's financial statements for the year ended 30 June 2013. 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 2013, 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 2013

	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>
REVENUE					
External	343,332	47,717	24,866	-	415,915
Inter-segment	564	176	1,115	(1,855)	-
Total	<u>343,896</u>	<u>47,893</u>	<u>25,981</u>	<u>(1,855)</u>	<u>415,915</u>
RESULTS					
Segment results	<u>224,181</u>	<u>9,800</u>	<u>20,072</u>	<u>-</u>	<u>254,053</u>
Unallocated corporate expenses					(8,696)
Interest income					17,691
Investment income					142
Profit before taxation					<u>263,190</u>

For the six months ended 31 December 2012

	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>
REVENUE					
External	299,231	46,846	23,537	-	369,614
Inter-segment	1,020	193	1,079	(2,292)	-
Total	<u>300,251</u>	<u>47,039</u>	<u>24,616</u>	<u>(2,292)</u>	<u>369,614</u>
RESULTS					
Segment results	<u>177,682</u>	<u>9,098</u>	<u>18,400</u>	<u>-</u>	<u>205,180</u>
Unallocated corporate expenses					(8,194)
Interest income					18,639
Investment income					225
Profit before taxation					<u>215,850</u>

Inter-segment sales are charged at prevailing market rates.

3. OTHER INCOME

	Six months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest income	17,691	18,639
Investment income	142	225
Miscellaneous	225	228
	18,058	19,092
	=====	=====

4. INCOME TAX EXPENSE

	Six months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong profits tax	40,568	29,502
Deferred tax (credit)/charge	(553)	2,633
	40,015	32,135
	=====	=====

Hong Kong profits tax is calculated at 16.5% (2012: 16.5%) on the estimated assessable profits for the period.

5. PROFIT FOR THE PERIOD

	Six months ended 31 December	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	48,422	52,959
	=====	=====

6. EARNINGS PER SHARE

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

	Three months ended 31 December		Six months ended 31 December	
	2013 HK\$'000	2012 HK\$'000	2013 HK\$'000	2012 HK\$'000
Earnings for the purposes of basic earnings per share	113,337 =====	95,359 =====	223,175 =====	183,715 =====
	2013 Number of shares	2012 Number of shares	2013 Number of shares	2012 Number of shares
Weighted average number of ordinary shares for the purposes of basic earnings per share	4,042,399,666 =====	4,042,399,666 =====	4,042,399,666 =====	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 12.

There were no dilutive potential ordinary shares in existence during the three months and six months ended 31 December 2013 and 2012.

7. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 December 2013, additions to fixed assets amounted to HK\$466,924,000 which included acquisition of the site at Tseung Kwan O designated for high-tier data centre purposes at a land premium of HK\$428,000,000.

8. INVESTMENTS

	31 December 2013 HK\$'000	30 June 2013 HK\$'000
Available-for-sale investments:		
Listed debt securities	468,408	468,449
Unlisted equity technology investments	3,710	3,710
	472,118 =====	472,159 =====
Carrying amount analysed for reporting purposes as:		
Non-current assets	355,171	353,621
Current assets (debt securities maturing within one year)	116,947	118,538
	472,118 =====	472,159 =====

9. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade receivables of HK\$40,840,000 (30 June 2013: HK\$41,141,000), of which 90% aged within 60 days, 7% between 61 to 90 days and 3% more than 90 days (30 June 2013: 93%, 4% and 3% respectively).

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

10. TRADE AND OTHER PAYABLES

	31 December 2013 HK\$'000	30 June 2013 HK\$'000
Trade payable aged within 60 days	30,202	19,169
Trade payable aged over 60 days	322	-
	<u>30,524</u>	<u>19,169</u>
Other payables	1,039	842
Deposits received and accruals	259,692	226,623
	<u>291,255</u>	<u>246,634</u>
	=====	=====

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:

	31 December 2013 HK\$'000	30 June 2013 HK\$'000
Current liabilities (release to the income statement within one year)	35,021	34,226
Non-current liabilities	161,286	175,457
	<u>196,307</u>	<u>209,683</u>
	=====	=====

12. SHARE CAPITAL

	Number of ordinary shares	Amount HK\$'000
Ordinary shares of HK\$0.1 each		
Authorised:		
At 1 July 2012, 30 June 2013 and 31 December 2013	10,000,000,000	1,000,000
Issued and fully paid:		
At 1 July 2012	2,322,229,531	232,223
Conversion of convertible notes	110,500	11
At 30 June 2013	2,322,340,031	232,234
Conversion of convertible notes	500	-
At 31 December 2013	2,322,340,531	232,234

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 2013, convertible notes in the amount of HK\$50 were exercised and converted into 500 ordinary shares of the Company (2012: Nil).

	Number of fully paid ordinary shares to be issued/(issued) upon conversion	Amount HK\$'000
At 1 July 2012	1,720,170,135	172,017
Conversion of convertible notes	(110,500)	(11)
At 30 June 2013	1,720,059,635	172,006
Conversion of convertible notes	(500)	-
At 31 December 2013	1,720,059,135	172,006

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.

13. RELATED PARTY TRANSACTIONS

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

(a) Transactions with Sun Hung Kai Properties Group

	Six months ended	
	31 December	
	2013	2012
	HK\$'000	HK\$'000
Income from maintenance and repair of network infrastructure and security systems	24,860	25,788
Income from installation, operation and provision of cable networking	14,455	16,679
Space and rack rental income	2,017	1,841
E-commerce income	152	278
Lease, licence and management fee charges	8,403	6,463
Property management service fees paid	4,638	4,586
Maintenance and repair charges of network infrastructure and security systems	1,703	1,550
Network infrastructure and security system installation charges	1,406	617
Management fee charges	1,000	1,000
Insurance service charges paid	806	655
Estate agency fees paid	668	631
Cable and network rental charges	398	398
Technical service charges paid	147	355
	=====	=====

(b) Transaction with a director

During the period, professional fees of HK\$100,000 (2012: HK\$103,000) were paid and 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 and payable by the Group to the key management personnel during the period amounted to HK\$2,783,000 (2012: HK\$2,487,000).

14. 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 and trade and other payables.

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.

	31 December 2013 HK\$'000	30 June 2013 HK\$'000
Available-for-sale investments:		
Listed debt securities (Level 1)	468,408 =====	468,449 =====

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 fair values of trade receivables, bank deposits and trade payables approximate to their carrying amounts due to the short-term maturities of these assets and liabilities.

The carrying amounts of other financial assets and liabilities in the financial statements are not materially different from their fair values.

There was no transfer of financial assets and liabilities between fair value hierarchy classifications during the six months ended 31 December 2013.

15. CAPITAL COMMITMENTS

	31 December 2013 HK\$'000	30 June 2013 HK\$'000
Capital expenditure in respect of acquisition of plant and equipment contracted for but not provided in the financial statements	49,556 =====	17,181 =====

16. CONTINGENT LIABILITIES

As at 31 December 2013, 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\$63,634,000 (30 June 2013: HK\$63,634,000).

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 2013 (2012: Nil).

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-kyok, 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 2013 and has provided advice and comments thereon.

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

During the six months ended 31 December 2013, 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 2013, the Group has complied with all code provisions in the Corporate Governance Code as set out in Appendix 15 of the GEM Listing Rules.

On behalf of the Board

Kwok Ping-luen, Raymond
Chairman

Hong Kong, 6 February 2014

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

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