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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 2016

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 maintained its growth momentum in the first half of 2016/17 financial year with profit attributable to owners of the Company of HK\$269.7 million for the six months ended 31 December 2016, an increase of 9% over the same period last year.
- Revenue for the period was HK\$557.3 million, up 15% over the same period last year. This was due principally to higher revenue for the Group's data centre operations from new customers and rental reversions of existing customers.
- Gross profit for the period increased to HK\$338.7 million with gross margin at 61%. Cost of sales for the period rose by HK\$46.5 million to HK\$218.6 million, mainly due to higher rental expenses incurred for expanded capacity taken up at MEGA Two (Sha Tin) and additional human resources to meet development and expansion needs.
- Operating expenditure for the period increased to HK\$33.4 million. This was mainly due to the expansion of sales and marketing resources for the revitalization of MEGA Two and the new MEGA Plus (Tseung Kwan O) facilities.
- The Group's financial position remains strong, with approximately HK\$1,174.6 million in cash and interest-bearing securities on hand. As at 31 December 2016, the Group had a medium-term bank borrowing of HK\$995.2 million.

	Jul to Dec 2016 HK\$'M	Jul to Dec 2015 HK\$'M
Revenue	<u>557.3</u>	<u>483.0</u>
Gross profit	338.7	310.9
Other income	17.9	8.7
Operating expenditure *	<u>(33.4)</u>	<u>(25.2)</u>
Profit before taxation	323.2	294.4
Income tax expense	<u>(51.8)</u>	<u>(47.9)</u>
Profit for the period	<u>271.4</u>	<u>246.5</u>
Attributable to:		
Owners of the Company	269.7	246.5
Non-controlling interests	<u>1.7</u>	<u>-</u>
	<u>271.4</u>	<u>246.5</u>

* Selling, general and administrative expenses

CHAIRMAN'S STATEMENT

SUNeVision attained a profit attributable to owners of the Company of HK\$269.7 million for the six months ended 31 December 2016 in the 2016/17 financial year, an increase of 9% over the same period last year.

Revenue for the period rose 15% to HK\$557.3 million, largely attributable to higher revenue from the Group's data centre operations. iAdvantage continued to win new business and renew existing contracts with major multinational and local customers, and successfully attracted high growth customers such as cloud service providers. A 27% increase in cost of sales was reported during the period, mainly due to higher rental expenses for expanded capacity taken up at MEGA Two (Sha Tin) and additional human resources invested in meeting development and expansion needs. There have been strong interests from existing and new customers in the new and expanded facilities of the Group. Gross profit amount rose 9% to HK\$338.7 million with gross margin for the period at 61%.

Operating expenditure for the period increased from HK\$25.2 million to HK\$33.4 million. This was mainly due to the expansion of sales and marketing resources for the revitalization of the MEGA Two and new MEGA Plus (Tseung Kwan O) facilities.

The Group's financial position remained healthy with approximately HK\$1,174.6 million in cash and interest-bearing securities on hand as of 31 December 2016. Despite the Group having a medium-term bank borrowing of HK\$995.2 million, the net position remained positive. Therefore, the Group has sufficient liquidity and financial resources to meet its funding requirements in near future.

Looking ahead, the Group will continue to enhance its assets and service quality. The transformation of the entire MEGA Two facility into a top-tier data centre is in the final stage. When completed, the whole building will be dedicated to data centre use, ensuring world-class security, network connection and facility management for customers. At the same time, the construction of the brand-new MEGA Plus facility in Tseung Kwan O is progressing well and due for completion in 2017. The topping out ceremony was held on 8 December 2016. MEGA Plus will be the first purpose-built, Tier-4 ready facility on land dedicated to data centre use, which distinguishes it from nearby data centre sites in the industrial estate that have restrictions on usage. These investments in new capacity will provide the Group with a good foundation for growth to satisfy the rising demand for top-tier, premium-service data centres. As well as building new facilities, the Group is investing to enhance its existing data centres and ensure they remain state-of-the-art facilities. In particular, the optimization project to upgrade the power capacity of MEGA has already started, in order to cater for the demand from power hungry customers.

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, 26 January 2017

CHIEF EXECUTIVE OFFICER'S REPORT

OVERVIEW

SUNeVision reported its unaudited results for the first half of the 2016/17 financial year with a profit attributable to owners of the Company of HK\$269.7 million, an increase of 23.2 million over the same period last year.

BUSINESS REVIEW

iAdvantage

iAdvantage secured new orders from another leading global cloud service provider during the period and anticipates further expansion plans by various telecommunication service providers. Work on several major enhancement and expansion projects to maintain iAdvantage's position as a leading data centre operator in Hong Kong continued. The optimization of the flagship MEGA facility, one of the most highly regarded data centres in the region, will enhance its ability to meet the increasing loading requirements, including both power capacity and power density of new and existing customers. The transformation of the entire MEGA Two facility in Sha Tin into a dedicated data centre building is attracting more interest from the market, especially among global cloud players and major telecommunications operators. The transformation has proven to be a strong attraction to customers with high standards for mission-critical operations.

Construction of the new MEGA Plus flagship facility in Tseung Kwan O is moving into the final stage and solidly on track for completion in 2017. Interest from prospects has been encouraging. The facility was designed with an understanding of the latest customer needs and leverages the Group's rich data centre operation experience. It is being built for flexibility to meet varying levels of resilience and power density for different customer needs. Upon completion, MEGA Plus will meet environmental friendly requirements with high-efficiency power usage to achieve best-in-class energy saving. It will also be the only data centre built on dedicated land in the Tseung Kwan O area without restrictions on usage.

The Group made another key achievement on 29 November 2016 when it secured Amazon Web Services (AWS) Direct Connect Services to anchor in our data centres. AWS Direct Connect's presence is starting to attract more cloud-receptive customers and traffic to its data centres.

In addition to investing in capacity, there were continuous improvements to existing data centres and expanded sales and marketing resources to strengthen capacity to serve customers.

Super e-Technology

Super e-Technology secured contracts for the installation of security surveillance, SMATV and IT systems totalling approximately HK\$11 million during the first half of the 2016/17 financial year.

Super e-Technology maintains a positive outlook for the security surveillance and SMATV sectors for the second half of the financial year and is constantly pursuing opportunities to expand its service offerings.

Super e-Network

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

INVESTMENT

SUNeVision maintained its prudent approach to financial management. At the same time, it is also committed to continued investment in existing and new infrastructure to enhance further business development.

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 cash and interest-bearing securities on hand as of 31 December 2016 amounted to approximately HK\$1,174.6 million, while it had a medium-term bank borrowing of HK\$995.2 million. Accordingly, the net position of the Group remained positive.

The Company had contingent liabilities in respect of guarantees for general banking facilities utilized by Group subsidiaries and other guarantees in the aggregate of HK\$1,012.3 million as of 31 December 2016.

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. The Group had not pledged any of its assets as of 31 December 2016 and there was no material acquisition or disposal of subsidiaries or affiliated companies during the year under review.

EMPLOYEES

The Group had 206 full-time employees as of 31 December 2016. 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 the Group expanded its footprint of data centres, but the Group believes these are worthwhile investments. The Group is keen to keep its best talents so bonuses were paid to selected employees in recognition of their outstanding performance.

Other remuneration and benefits, including medical coverage and provident fund contributions, remained at competitive levels. The Group continued offering various training and development opportunities to enhance employee capabilities to meet the growth in business. It also operates a share-option scheme and granted share options to selected directors and employees to recognize their significant contributions.

I would like to close by thanking the members of the Board for their support and guidance, all members of 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, 26 January 2017

Consolidated Income Statement

For the three months and six months ended 31 December 2016

	Notes	(Unaudited)		(Unaudited)	
		Three months ended		Six months ended	
		31 December		31 December	
		2016	2015	2016	2015
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue		282,276	243,715	557,272	483,047
Cost of sales		(111,529)	(87,275)	(218,563)	(172,122)
Gross profit		170,747	156,440	338,709	310,925
Other income	3	11,729	4,986	17,863	8,720
Selling expenses		(4,741)	(2,199)	(7,555)	(4,048)
Administrative expenses		(13,160)	(10,597)	(25,804)	(21,199)
Profit before taxation		164,575	148,630	323,213	294,398
Income tax expense	4	(26,083)	(24,108)	(51,791)	(47,920)
Profit for the period	5	138,492	124,522	271,422	246,478
Attributable to:					
Owners of the Company		136,740	124,522	269,670	246,478
Non-controlling interests		1,752	-	1,752	-
		138,492	124,522	271,422	246,478
Earnings per share based on profit attributable to owners of the Company	6				
- Basic (Remark (i))		3.38 cents	3.08 cents	6.67 cents	6.10 cents
- Diluted (Remarks (i) and (ii))		3.38 cents	N/A	6.66 cents	N/A

Remarks:

- (i) Upon completion of the bonus issue of shares (with a convertible note ("Convertible Notes(s)", which were constituted by the deed poll dated 25 November 2010) alternative) on 25 November 2010, the Company had 2,342,675,478 ordinary shares in issue and outstanding Convertible Notes which could be converted into 1,720,292,188 fully paid ordinary shares, representing a total of 4,062,967,666 ordinary shares which form the basis for the calculation of basic and diluted earnings per share based on profit attributable to owners of the Company. Adjustments are made in respect of shares repurchased.
- (ii) The calculation of diluted earnings per share for the three months and six months ended 31 December 2016 has been taken into account of potential ordinary shares of 4,720,574 and 4,132,791 shares in existence respectively arising from the share options granted on 8 March 2016. The dilutive effect of the potential ordinary shares to Group's basic earnings per share for the three months and six months ended 31 December 2016 is insignificant. There were no dilutive potential ordinary shares in existence during the three months and six months ended 31 December 2015.

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 months and six months ended 31 December 2016

	(Unaudited) Three months ended 31 December		(Unaudited) Six months ended 31 December	
	2016 HK\$'000	2015 HK\$'000	2016 HK\$'000	2015 HK\$'000
Profit for the period	138,492	124,522	271,422	246,478
Other comprehensive (expense)/income for the period Items that may be reclassified subsequently to the consolidated income statement:				
Change in fair value of investments	(2,757)	2,199	(4,360)	2,680
Exchange differences arising from translation of operations outside Hong Kong	10	(12)	7	(30)
	(2,747)	2,187	(4,353)	2,650
Total comprehensive income for the period	135,745	126,709	267,069	249,128
Total comprehensive income attributable to:				
Owners of the Company	134,529	126,972	265,882	249,729
Non-controlling interests	1,216	(263)	1,187	(601)
	135,745	126,709	267,069	249,128

Consolidated Statement of Financial Position

At 31 December 2016

	Notes	(Unaudited) 31 December 2016 HK\$'000	(Audited) 30 June 2016 HK\$'000
Non-current assets			
Investment properties		1,396,000	1,396,000
Property, plant and equipment	7	2,521,662	1,975,999
Investments	8	144,773	249,544
		4,062,435	3,621,543
Current assets			
Investments	8	267,101	208,693
Inventories		6,443	7,578
Trade and other receivables	9	115,345	124,842
Amounts due from customers for contract works		11,779	8,075
Bank balances and deposits		766,465	652,220
		1,167,133	1,001,408
Current liabilities			
Trade and other payables	10	611,025	485,271
Deferred revenue	11	37,066	36,557
Tax payables		50,607	121,761
		698,698	643,589
Net current assets		468,435	357,819
Total assets less current liabilities		4,530,870	3,979,362
Non-current liabilities			
Bank borrowing	12	995,208	193,958
Deferred tax liabilities		79,249	76,555
Deferred revenue	11	118,910	130,516
		1,193,367	401,029
		3,337,503	3,578,333
Capital and reserves			
Share capital	13	232,237	232,237
Reserve arising from issuance of convertible notes	13	172,003	172,003
Other reserves		2,919,005	3,161,022
Equity attributable to owners of the Company		3,323,245	3,565,262
Non-controlling interests		14,258	13,071
Total equity		3,337,503	3,578,333

Consolidated Statement of Changes in Equity

For the six months ended 31 December 2016

	Attributable to owners of the Company 2016									
	Share capital HK\$'000	Share premium HK\$'000	Reserve arising from issuance of convertible notes HK\$'000	Share option reserve HK\$'000	Exchange reserve HK\$'000	Investments revaluation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
	(Note)									
At 1 July 2016	232,237	2,315,239	172,003	1,100	2,374	8,245	834,064	3,565,262	13,071	3,578,333
Profit for the period	-	-	-	-	-	-	269,670	269,670	1,752	271,422
Change in fair value of investments	-	-	-	-	-	(4,360)	-	(4,360)	-	(4,360)
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	-	572	-	-	572	(565)	7
Total comprehensive (expense)/income for the period	-	-	-	-	572	(4,360)	269,670	265,882	1,187	267,069
Conversion of convertible notes (note 13)	-	-	-	-	-	-	-	-	-	-
Recognition of equity-settled share-based payments	-	-	-	1,443	-	-	-	1,443	-	1,443
Final dividend and distribution paid	-	-	-	-	-	-	(509,342)	(509,342)	-	(509,342)
At 31 December 2016	232,237	2,315,239	172,003	2,543	2,946	3,885	594,392	3,323,245	14,258	3,337,503

	Attributable to owners of the Company 2015									
	Share capital HK\$'000	Share premium HK\$'000	Reserve arising from issuance of convertible notes HK\$'000	Share option reserve HK\$'000	Exchange reserve HK\$'000	Investments revaluation reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity 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 (expense)/income 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)
At 31 December 2015	232,237	2,315,239	172,003	-	2,058	3,803	531,551	3,256,891	13,401	3,270,292

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. This reserve balance represented the aggregate amount of the Convertible Notes outstanding at the period end. The Convertible Notes in the amounts of HK\$50.00 (2015: HK\$150.00) were exercised and converted into 500 (2015: 1,500) ordinary shares by noteholders during the six months ended 31 December 2016. As a result, the Convertible Notes in the amount of HK\$172,002,633.30 (2015: HK\$172,002,683.30) remained outstanding as at 31 December 2016.

The Convertible 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 Convertible Notes. The Convertible 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 Convertible Notes, subject to the terms and conditions of the deed poll constituting the Convertible Notes. The Convertible 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 2016

	(Unaudited)	
	Six months ended	
	31 December	
	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net cash from operating activities	255,803	255,838
Net cash used in investing activities	(428,815)	(137,636)
Net cash from/(used in) financing activities	287,258	(295,194)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents	114,246	(176,992)
Cash and cash equivalents at 1 July	652,220	768,515
Effect of foreign exchange rate changes	(1)	(41)
	<hr/>	<hr/>
Cash and cash equivalents at 31 December, represented by bank balances and deposits	766,465	591,482
	<hr/> <hr/>	<hr/> <hr/>

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 2016. 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 2016, 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 2016

	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	455,942	71,053	30,277	-	557,272
Inter-segment	513	176	1,206	(1,895)	-
Total	<u>456,455</u>	<u>71,229</u>	<u>31,483</u>	<u>(1,895)</u>	<u>557,272</u>
	=====	=====	=====	=====	=====
RESULTS					
Segment results	<u>281,764</u>	<u>11,624</u>	<u>24,483</u>	<u>-</u>	<u>317,871</u>
	=====	=====	=====	=====	=====
Unallocated corporate expenses					(12,008)
Interest income					12,534
Investment income					4,816
Profit before taxation					<u>323,213</u>
					=====

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>
REVENUE					
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>
	=====	=====	=====	=====	=====
RESULTS					
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>
					=====

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

	Six months ended 31 December	
	2016	2015
	HK\$'000	HK\$'000
Interest income	12,534	7,861
Investment income (Note)	4,816	404
Miscellaneous	513	455
	17,863	8,720
	=====	=====

Note:

Included in an investment income was a non-recurring income amounting approximately HK\$4,675,000 as a result of the recognition of the distribution of assets from an equity investment.

4. INCOME TAX EXPENSE

	Six months ended 31 December	
	2016	2015
	HK\$'000	HK\$'000
Hong Kong profits tax	49,097	50,217
Deferred tax charge/(credit)	2,694	(2,297)
	51,791	47,920
	=====	=====

Hong Kong profits tax is calculated at 16.5% (2015: 16.5%) on the estimated assessable profits for the period.

5. PROFIT FOR THE PERIOD

	Six months ended 31 December	
	2016	2015
	HK\$'000	HK\$'000
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	51,498	48,913
Interest on bank borrowing	3,400	74
Other finance costs	1,250	209
Less: amounts capitalised	(4,650)	(283)
Total finance costs	-	-
	=====	=====

6. EARNINGS PER SHARE

The calculation of the basic and diluted 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	
	2016 HK\$'000	2015 HK\$'000	2016 HK\$'000	2015 HK\$'000
Earnings for the purposes of basic and diluted earnings per share	136,740 =====	124,522 =====	269,670 =====	246,478 =====
	2016 Number of shares	2015 Number of shares	2016 Number of shares	2015 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 =====
Effect of dilutive potential ordinary shares: Share options	4,720,574 -----		4,132,791 -----	
Weighted average number of ordinary shares for the purpose of diluted earnings per share	4,047,120,240 =====		4,046,532,457 =====	

For the purposes of basic and diluted 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.

Save as the share options mentioned above, there were no other dilutive potential ordinary shares in existence during the three months and six months ended 31 December 2016 and 2015.

7. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 31 December 2016, additions to fixed assets amounted to HK\$597,161,000.

8. INVESTMENTS

	31 December 2016 HK\$'000	30 June 2016 HK\$'000
Available-for-sale investments:		
Listed debt securities, at fair value	408,164	454,527
Unlisted equity technology investments, at cost less impairment	3,710	3,710
	411,874	458,237
	=====	=====
Carrying amount analysed for reporting purposes as:		
Non-current assets	144,773	249,544
Current assets (debt securities maturing within one year)	267,101	208,693
	411,874	458,237
	=====	=====

9. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade receivables of HK\$55,170,000 (30 June 2016: HK\$60,472,000), of which 81% aged within 60 days, 3% between 61 to 90 days and 16% more than 90 days (30 June 2016: 95%, 2% and 3% respectively).

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

10. TRADE AND OTHER PAYABLES

	31 December 2016 HK\$'000	30 June 2016 HK\$'000
Trade payable aged within 60 days	17,581	39,368
Trade payable aged over 60 days	79	7,220
	17,660	46,588
Other payables	716	103,516
Accruals and deposits received	592,649	335,167
	611,025	485,271
	=====	=====

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 2016 HK\$'000	30 June 2016 HK\$'000
Current liabilities (release to the consolidated income statement within one year)	37,066	36,557
Non-current liabilities	118,910	130,516
	155,976	167,073

12. BANK BORROWING

During the period, the Group has further utilised the remaining term loan facility of HK\$800,000,000. At 31 December 2016, the carrying amount of the Group's unsecured bank loan amounted of HK\$995,208,000 (30 June 2016: HK\$193,958,000). 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 2015, 30 June 2016 and 31 December 2016	10,000,000,000	1,000,000
Issued and fully paid:		
At 1 July 2015	2,322,371,333	232,237
Conversion of Convertible Notes (Note)	1,500	-
At 30 June 2016	2,322,372,833	232,237
Conversion of Convertible Notes (Note)	500	-
At 31 December 2016	2,322,373,333	232,237

13. SHARE CAPITAL (continued)

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 to the shareholders of the Company 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 of the Company 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 2016, Convertible Notes in the amount of HK\$50.00 (2015: HK\$150.00) were exercised and converted into 500 (2015: 1,500) ordinary shares of the Company.

	Number of fully paid ordinary shares to be issued/(issued) upon conversion	Amount HK\$'000
At 1 July 2015	1,720,028,333	172,003
Conversion of Convertible Notes	(1,500)	-
	<hr/>	<hr/>
At 30 June 2016	1,720,026,833	172,003
Conversion of Convertible Notes	(500)	-
	<hr/>	<hr/>
At 31 December 2016	1,720,026,333	172,003
	<hr/> <hr/>	<hr/> <hr/>

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

	Six months ended	
	31 December	
	2016	2015
	HK\$'000	HK\$'000
Income from maintenance and repair of network infrastructure and security systems	29,731	27,619
Income from installation, operation and provision of cable networking	36,617	25,725
Space and rack rental income	1,732	1,686
Lease, licence and management fee charges	34,123	19,123
Property management service fees paid	5,372	5,136
Maintenance and repair charges of network infrastructure and security system	1,415	1,758
Network infrastructure and security system installation charges	1,585	4,267
Management fee charges	1,000	1,000
Insurance service charges paid	737	863
Estate agency fees paid	819	804
Cable and network rental charges	398	397
Technical service charges paid	456	323
Construction work charges	369,136	121,168
	=====	=====

(b) Transaction with a director

During the period, professional fees of HK\$72,300 (2015: HK\$48,000) 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\$4,834,000 (2015: HK\$3,860,000).

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 the 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.

	31 December 2016 HK\$'000	30 June 2016 HK\$'000
Available-for-sale investments:		
Listed debt securities (Level 1)	408,164 =====	454,527 =====

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 consolidated 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 2016.

16. CAPITAL COMMITMENTS

	31 December 2016 HK\$'000	30 June 2016 HK\$'000
Capital expenditure in respect of acquisition of plant and equipment contracted for but not provided in the consolidated financial statements	251,554 =====	112,947 =====
Capital expenditure in respect of development of construction in progress contracted for but not provided in the consolidated financial statements	512,625 =====	835,434 =====

DIVIDEND

The board of Directors (the "Board") does not recommend the payment of an interim dividend for the six months ended 31 December 2016 (2015: Nil).

INTERESTS IN COMPETING BUSINESS

Professor Li On-kwok, Victor, an Independent Non-Executive Director, 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 business or interest which competes or may compete with the business of the Group or any other conflicts of interest with the Group during the six months ended 31 December 2016.

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 2016 and has provided advice and comments thereon.

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

During the six months ended 31 December 2016, 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 2016, the Group has complied with the code provisions in the Corporate Governance Code as set out in Appendix 15 to the GEM Listing Rules except that the Chairman of the Board was unable to attend the annual general meeting of the Company held on 28 October 2016 due to other commitment.

By order of the Board
SUNEVISION HOLDINGS LTD.
Lee Kok-ming
Company Secretary

Hong Kong, 26 January 2017

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, David Norman Prince 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 for a minimum period of 7 days from the date of publication and on the website of the Company at www.sunevision.com.