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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)*

**FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2017**

**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.

# **CHAIRMAN'S STATEMENT**

SUNeVision achieved a satisfactory performance for the financial year ended 30 June 2017, with a profit attributable to owners of the Company of HK\$629.8 million. Underlying profit attributable to owners of the Company (excluding the effect of other gain and loss) was HK\$554.4 million; an increase of HK\$44.4 million.

## **FINANCIAL HIGHLIGHTS**

The Group's revenue for the year rose 14% to HK\$1,141.8 million, largely due to increased revenue from the Group's data centre operations. The Group's data centre business continued winning new contracts and renewing existing ones with healthy rental reversions during the year. A number of new contracts were with customers in high-growth segments, especially cloud services providers. Cost of sales increased 21% to HK\$437.6 million for the year, mainly due to additional rental expenses for new floors taken up in the final phase of the revitalization of MEGA Two. Gross profit amount rose 10% to HK\$704.1 million with gross margin for the year at 62%.

Operating expenditure for the year increased from HK\$50.8 million to HK\$71.9 million. This was mainly due to the expansion of sales and marketing resources including various marketing activities, in anticipation of the new data centre capacity resulting from the complete revitalization of MEGA Two and the newly constructed MEGA Plus (Tseung Kwan O) in the coming months.

Profit from operations for the year increased by HK\$54.5 million to HK\$663.0 million, representing a 9% growth compared with the previous financial year.

Other gain and loss for the year increased from HK\$39.0 million to HK\$75.4 million, mainly from an increase in fair value of investment properties of HK\$131.0 million but partially offset by a decrease in fair value of a securities investment of HK\$55.6 million. Taking these into account and allowing for taxation, profit attributable to owners of the Company for the year was HK\$629.8 million, compared with HK\$549.0 million for the previous financial year.

Shareholders' funds as of 30 June 2017 amounted to HK\$3,684.4 million, or HK\$0.91 per share accounted for the effect of bonus shares and convertible notes issued in November 2010. The Group's financial position remained healthy with approximately HK\$887.6 million in cash and interest-bearing securities on hand at year end, despite medium-term bank borrowing of HK\$996.5 million. The Group had approximately HK\$108.9 million in net borrowing due to higher planned capital expenditure during the fiscal year. However, the gearing as at 30 June 2017 calculated as borrowing (net of cash only) to shareholders' funds remained low at 11%. The Group took advantage of favourable interest rates in August 2017 to refinance existing bank borrowing and obtained a long-term loan facility for various existing capital investment projects.

The Directors recommend the payment of a final dividend of HK13.70 cents per share for the year ended 30 June 2017, compared to HK12.60 cents per share for the previous financial year. The final dividend will be paid on 20 November 2017 following approval at the 2017 Annual General Meeting.

## **BUSINESS REVIEW**

The Group's core data centre business, iAdvantage, continued to perform well as a leading carrier-neutral data centre operator in Hong Kong.

Construction of the Group's latest data centre in Tseung Kwan O, MEGA Plus, has completed and the Lands Department issued a compliance certificate in June 2017. MEGA Plus is the first purpose-built facility on land designated for data centre use by the Hong Kong government. The land was acquired through open tender at market rate. This distinguishes the site from neighbouring data centres in the Tseung Kwan O Industrial Estate, which are built on subsidised land that prohibit any form of subletting.

MEGA Two has seen high customer utilization. The transformation of the entire MEGA Two facility is in the final stage. This will ensure MEGA Two to become a dedicated top-tier data centre offering world-class security, network connectivity and facility management for customers.

MEGA-i continued to do well and is firmly established as a major connectivity hub in Hong Kong. An optimization project to upgrade its power capacity to meet increasing demand from customers has commenced.

SUNeVision's approach is to build a portfolio of data centres equipped with superior infrastructure and facilities at different locations with different price points. Fibre connections among the MEGA centres ensure speedy and stable connectivity. Our portfolio gives customers a broader choice of facilities to meet their needs.

SUNeVision aims to provide the highest quality data centre service in the region. But success is more than having superior infrastructure. It must rely on understanding and catering to customers' changing needs and providing premium service. SUNeVision will continue its pursuit of service excellence to serve customers better.

The Group's Super e-Technology and Super e-Network last-mile connectivity businesses continued to focus on a range of services covering design, build and maintenance of communications system and infrastructure providing quality service to corporate and residential customers.

## FUTURE PROSPECTS

The completion of MEGA Plus and the revitalization of MEGA Two have put SUNeVision in a new stage of growth, substantially expanding its capacity to grow with customers' needs. The Group's existing operations will maintain its leading market position to meet market demand and achieve sustained profitability.

The surge of data usage driven by digitization and cloud computing has created different business opportunities for SUNeVision, but these trends have also attracted new players to invest in data centre facilities in Hong Kong, resulting in a substantial increase in the supply of data centre capacity. SUNeVision must continue to differentiate itself with superior infrastructure and service, as well as continue to invest in upgrading facilities to meet changing customer needs.

SUNeVision remains committed to maintaining high standards of corporate governance. There are a number of board committees established to effectively support the Board in carrying out its responsibilities.

## APPRECIATION

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, 5 September 2017

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW

SUNeVision completed the financial year ended 30 June 2017 with HK\$629.8 million profit attributable to owners of the Company, an increase of HK\$80.8 million over the previous financial year.

Revenue for the year was HK\$1,141.8 million; an improvement of HK\$142.8 million over the previous financial year largely arising from the Group's data centre operations. Gross margin was 62%, translating into a gross profit of HK\$704.1 million. Excluding the effect of other gain and loss, underlying profit attributable to owners of the Company for the year was HK\$554.4 million; an increase of HK\$44.4 million or year-on-year growth of 9%.

## BUSINESS REVIEW

### *iAdvantage*

iAdvantage secured new contracts from a leading global cloud service provider for MEGA Plus in Tseung Kwan O and MEGA Two in Sha Tin, which will be used as a base for its expansion. At the same time, iAdvantage continues to work on various major expansion and enhancement projects to maintain its market position as a major data centre service operator in Hong Kong.

Construction of the MEGA Plus flagship facility has completed and the compliance certificate was issued in June 2017. Fit-out work for the initial anchor customers commenced in August 2017. The facility was designed to exploit the Group's rich data centre operational experience with an understanding of the latest customer needs, and is built for flexibility to meet varying levels of resilience and power density requirements. It meets environmental requirements with high-efficiency power usage to achieve best-in-class energy saving. MEGA Plus is also the only data centre built on dedicated land in Tseung Kwan O without restrictions on usage. This distinguishes the site from neighbouring data centres in the Tseung Kwan O Industrial Estate, which are built on subsidised land that prohibit any form of subletting.

The transformation of the entire MEGA Two facility in Sha Tin into a dedicated data centre building is in the final stage. The transformation has proven to be a strong attraction to customers with high standards for mission critical operations.

The optimization of the flagship MEGA-i facility, one of the most highly regarded data centres in the region, is underway and due for completion in 2018. It will enhance power capacity and density as well as connectivity in meeting the increasing demand from new and existing customers.

In addition to investing in the expansion of new capacity, there are continuous improvements made at existing data centres. The Group also invested additional sales and marketing resources to strengthen customer service quality.

### *Super e-Technology and Super e-Network*

Super e-Technology secured contracts for the installation of security surveillance, SMATV and IT systems totalling approximately HK\$20 million for the year ended 30 June 2017. Super e-Technology maintains a positive outlook for the security surveillance and SMATV sectors for the coming year and is constantly pursuing opportunities to expand its service offerings.

Super e-Network continues to capture new business providing wireless LAN infrastructure in shopping malls and related value added services. It will continue expanding its broadband deployment and Wi-Fi services to different sectors.

## **OTHER FINANCIAL DISCUSSION AND ANALYSIS**

The Group practises prudent financial management and has a healthy balance sheet with ample liquidity and financial resources. The Group's cash and interest-bearing securities on hand as of 30 June 2017 amounted to approximately HK\$887.6 million, while it had medium-term bank borrowing of HK\$996.5 million. As a result, the Group had an approximately HK\$108.9 million in net borrowing due to higher planned capital expenditure during the fiscal year. However, the gearing as of 30 June 2017 calculated as borrowing (net of cash only) to shareholders' funds remained low at 11%. The Group obtained a long-term loan facility of HK\$2 billion in August 2017 to refinance existing borrowing and fund various existing capital investment projects.

As of 30 June 2017, the Group had no contingent liability while the Company had an aggregate of HK\$1,012.9 million contingent liabilities in respect of guarantees for general banking facilities utilized by the Group's subsidiaries for higher planned capital expenditure and other guarantees.

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 30 June 2017 and there was no material acquisition or disposal of subsidiaries or affiliated companies during the year under review.

## **EMPLOYEES**

The Group had 222 full-time employees as of 30 June 2017. The Group is keen to motivate and retain talent and continues to offer abundant career progression opportunities for staff retention and motivation. Periodical compensation reviews are conducted to ensure competitiveness in the employment market. Payroll costs increased during the financial year as the Group expanded its footprint of data centres, but the Group believes these are worthwhile investments. Bonuses were paid to selected employees to recognize outstanding performance. Various engagement initiatives were implemented during the year to enhance staff communication and team spirit.

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 to meet the growth in business. The Group also operates a share-option scheme and granted share options to selected directors and employees to recognize their significant contributions.

## **OUTLOOK**

Building on SUNeVision's performance record, the Group will continue to utilize its strong liquidity and financial resources to improve profitability and attain business growth for higher returns to shareholders in the medium to longer term. The Group maintains an optimistic outlook for its data centre operations as the demand from customers remains strong despite the potential increase in competition from new players. The Group will closely monitor the development of the competitive landscape and global economic developments, and adjust its business strategies accordingly. iAdvantage will continue evaluating new growth opportunities, including the expansion of its footprint with new data centre space, as well as the enhancement of existing data centre facilities. Super e-Technology and Super e-Network will further extend their quality service to new sites and enhance service offerings.

# Audited Consolidated Income Statement

For the year ended 30 June 2017

	Notes	2017 HK\$'000	2016 HK\$'000
Revenue	3	<b>1,141,757</b>	998,970
Cost of sales		<b>(437,626)</b>	(360,577)
Gross profit		<b>704,131</b>	638,393
Other income	5	<b>30,812</b>	20,945
Selling expenses		<b>(18,055)</b>	(7,559)
Administrative expenses		<b>(53,854)</b>	(43,278)
		=====	=====
Other gain and loss	6	<b>663,034</b>	608,501
Profit before taxation		<b>738,474</b>	647,501
Income tax expense	7	<b>(107,039)</b>	(98,510)
Profit for the year	8	<b>631,435</b>	548,991
		=====	=====
Attributable to:			
Owners of the Company		<b>629,801</b>	548,991
Non-controlling interests		<b>1,634</b>	-
		=====	=====
		<b>631,435</b>	548,991
		=====	=====
Earnings per share based on profit attributable to owners of the Company (reported earnings per share)	10 (a)		
- Basic (Remark (i))		<b>15.57 cents</b>	13.58 cents
		=====	=====
- Diluted (Remarks (i) and (ii))		<b>15.56 cents</b>	13.58 cents
		=====	=====
Earnings per share excluding the effect of other gain and loss (underlying earnings per share)	10 (b)		
- Basic (Remark (i))		<b>13.71 cents</b>	12.61 cents
		=====	=====
- Diluted (Remarks (i) and (ii))		<b>13.69 cents</b>	12.61 cents
		=====	=====

## Remarks:

- (i) Upon completion of the bonus issue of shares (with a convertible note ("Convertible Note(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. Adjustments are made in respect of shares repurchased.
- (ii) The calculation of diluted earnings per share for the year ended 30 June 2017 has been taken into account of potential ordinary shares of 5,125,167 (2016: 95,633) shares in existence arising from the share options granted on 8 March 2016. The dilutive effect of the potential ordinary share to Group's basic earnings per shares for the year ended 30 June 2016 was insignificant.

Details of earnings per share calculation and the Company's share capital are set out in notes 10 and 14 respectively.

# Audited Consolidated Statement of Comprehensive Income

For the year ended 30 June 2017

	2017 HK\$'000	2016 HK\$'000
Profit for the year	<b>631,435</b>	548,991
-----	-----	-----
Other comprehensive (expense) income for the year		
Items that may be reclassified subsequently to the consolidated income statement:		
Change in fair value of available-for-sale investments	(4,942)	7,122
Exchange differences arising from translation of operations outside Hong Kong	-	(44)
-----	-----	-----
	<b>(4,942)</b>	7,078
-----	-----	-----
Total comprehensive income for the year	<b>626,493</b>	556,069
=====	=====	=====
Total comprehensive income (expense) attributable to:		
Owners of the Company	<b>625,002</b>	557,000
Non-controlling interests	<b>1,491</b>	(931)
-----	-----	-----
	<b>626,493</b>	556,069
=====	=====	=====

# Audited Consolidated Statement of Financial Position

At 30 June 2017

	Notes	2017 HK\$'000	2016 HK\$'000
Non-current assets			
Investment properties		<b>1,527,000</b>	1,396,000
Property, plant and equipment		<b>3,071,660</b>	1,975,999
Investments		<b>144,651</b>	249,544
		-----	-----
		<b>4,743,311</b>	3,621,543
		-----	-----
Current assets			
Investments		<b>142,353</b>	208,693
Inventories		<b>9,499</b>	7,578
Trade and other receivables	11	<b>125,681</b>	124,842
Amounts due from customers for contract works		<b>8,599</b>	8,075
Bank balances and deposits		<b>604,303</b>	652,220
		-----	-----
		<b>890,435</b>	1,001,408
		-----	-----
Current liabilities			
Trade and other payables	12	<b>616,521</b>	485,271
Deferred revenue		<b>34,769</b>	36,557
Tax payables		<b>86,691</b>	121,761
		-----	-----
		<b>737,981</b>	643,589
		-----	-----
Net current assets		<b>152,454</b>	357,819
		-----	-----
Total assets less current liabilities		<b>4,895,765</b>	3,979,362
		-----	-----
Non-current liabilities			
Deferred tax liabilities		<b>98,414</b>	76,555
Deferred revenue		<b>101,947</b>	130,516
Bank borrowing	13	<b>996,458</b>	193,958
		-----	-----
		<b>1,196,819</b>	401,029
		-----	-----
		<b>3,698,946</b>	3,578,333
		=====	=====
Capital and reserves			
Share capital	14	<b>232,261</b>	232,237
Reserve arising from issuance of convertible notes	14	<b>172,003</b>	172,003
Other reserves		<b>3,280,120</b>	3,161,022
		-----	-----
Equity attributable to owners of the Company		<b>3,684,384</b>	3,565,262
Non-controlling interests		<b>14,562</b>	13,071
		-----	-----
Total equity		<b>3,698,946</b>	3,578,333
		=====	=====

# Audited Consolidated Statement of Changes in Equity

For the year ended 30 June 2017

## Attributable to owners of the Company

	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
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	-	887	-	-	887	(931)	(44)
Profit for the year	-	-	-	-	-	-	548,991	548,991	-	548,991
Change in fair value of available-for-sale investments	-	-	-	-	-	7,122	-	7,122	-	7,122
Total comprehensive income (expense) for the year	-	-	-	-	887	7,122	548,991	557,000	(931)	556,069
Conversion of Convertible Notes (note 14)	-	-	-	-	-	-	-	-	-	-
Recognition of equity-settled share-based payments	-	-	-	1,100	-	-	-	1,100	-	1,100
Final dividend and distribution paid (note 9)	-	-	-	-	-	-	(495,194)	(495,194)	-	(495,194)
At 30 June 2016	232,237	2,315,239	172,003	1,100	2,374	8,245	834,064	3,565,262	13,071	3,578,333
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	-	143	-	-	143	(143)	-
Profit for the year	-	-	-	-	-	-	629,801	629,801	1,634	631,435
Change in fair value of available-for-sale investments	-	-	-	-	-	(4,942)	-	(4,942)	-	(4,942)
Total comprehensive income (expense) for the year	-	-	-	-	143	(4,942)	629,801	625,002	1,491	626,493
Exercise of share options (note 14)	24	665	-	(99)	-	-	-	590	-	590
Conversion of Convertible Notes (note 14)	-	-	-	-	-	-	-	-	-	-
Recognition of equity-settled share-based payments	-	-	-	2,872	-	-	-	2,872	-	2,872
Final dividend and distribution paid (note 9)	-	-	-	-	-	-	(509,342)	(509,342)	-	(509,342)
At 30 June 2017	232,261	2,315,904	172,003	3,873	2,517	3,303	954,523	3,684,384	14,562	3,698,946

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 year end. The Convertible Notes in the amount of HK\$300.00 (2016: HK\$150.00) were exercised and converted into 3,000 (2016: 1,500) ordinary shares by noteholders during the year ended 30 June 2017. As a result, the Convertible Notes in the amount of HK\$172,002,383.30 (2016: HK\$172,002,683.30) remained outstanding as at 30 June 2017.

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".

# Notes to the Consolidated Financial Statements

## 1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, that are measured at fair values at the year end date.

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

### (a) HKFRSs applied in the current year

In the current year, the Group has applied HKFRSs (a collective term for accounting standards, amendments and interpretations) that were issued by the HKICPA, and are mandatorily effective for the Group's financial year beginning 1 July 2016, as follows:

Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 - 2014 Cycle
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisition of Interests in Joint Operations

The application of the above HKFRSs has had no material impact on the consolidated financial statements of the Group for the current and prior years.

### (b) New and revised HKFRSs issued but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKAS 7	Disclosure Initiative <sup>1</sup>
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses <sup>1</sup>
Amendments to HKAS 40	Transfers of Investment Property <sup>3</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014 - 2016 Cycle <sup>2</sup>
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions <sup>3</sup>
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>5</sup>
HKFRS 9	Financial Instruments <sup>3</sup>
HKFRS 15	Revenue from Contracts with Customers and the related Amendments <sup>3</sup>
HKFRS 16	Leases <sup>4</sup>
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration <sup>3</sup>
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments <sup>4</sup>

# Notes to the Consolidated Financial Statements

## 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (continued)

### (b) New and revised HKFRSs issued but not yet effective (continued)

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2017
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2018
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2019
- <sup>5</sup> Effective for annual periods beginning on or after a date to be determined

The Group has already commenced an assessment of the impact of these new and revised HKFRSs to the Group and not yet in a position to state whether these would have a significant impact on the Group's results and financial position.

## 3. REVENUE

Revenue was generated from the following activities:

	2017 HK\$'000	2016 HK\$'000
Income from data centre and IT facilities (including income of HK\$284,924,000 (2016: HK\$234,398,000) from other value-added services)	<b>942,379</b>	819,798
Installation and maintenance fee of SMATV, CABD, structural cabling and security systems (including installation fee of HK\$68,653,000 (2016: HK\$55,519,000))	<b>138,965</b>	119,058
Property rentals and building management services	<b>60,413</b>	60,114
	-----	-----
	<b>1,141,757</b>	998,970
	=====	=====

## 4. SEGMENT INFORMATION

Segment profit represents the profit earned by each segment without allocation of central administrative costs, directors' emoluments, decrease in fair value of investment at fair value through profit or loss, 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 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.

# Notes to the Consolidated Financial Statements

## 4. 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 year ended 30 June 2017

	Data centre and IT facilities HK\$'000	SMATV, CABD, structural cabling and security systems HK\$'000	Properties holding HK\$'000	Elimination HK\$'000	Consolidated total HK\$'000
<b>REVENUE</b>					
External	942,379	138,965	60,413	-	1,141,757
Inter-segment	513	352	2,435	(3,300)	-
Total	942,892	139,317	62,848	(3,300)	1,141,757
<b>RESULTS</b>					
Segment results	586,044	23,221	178,817	-	788,082
Unallocated corporate expenses					(23,571)
Decrease in fair value of investment at fair value through profit or loss					(55,560)
Interest income					24,704
Investment income					4,819
Profit before taxation					738,474

#### For the year ended 30 June 2016

	Data centre and IT facilities HK\$'000	SMATV, CABD, structural cabling and security systems HK\$'000	Properties holding HK\$'000	Elimination HK\$'000	Consolidated total HK\$'000
<b>REVENUE</b>					
External	819,798	119,058	60,114	-	998,970
Inter-segment	1,485	352	2,387	(4,224)	-
Total	821,283	119,410	62,501	(4,224)	998,970
<b>RESULTS</b>					
Segment results	540,729	20,566	88,467	-	649,762
Unallocated corporate expenses					(22,234)
Interest income					19,569
Investment income					404
Profit before taxation					647,501

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.

# Notes to the Consolidated Financial Statements

## 4. SEGMENT INFORMATION (continued)

### Other segment information

For the year ended 30 June 2017

	Data centre and IT facilities HK\$'000	SMATV, CABD, structural cabling and security systems HK\$'000	Properties holding HK\$'000	Unallocated HK\$'000	Consolidated total HK\$'000
Amounts included in the measure of segment results:					
Depreciation of property, plant and equipment	100,605	259	-	17	100,881
Increase in fair value of investment properties	-	-	131,000	-	131,000

For the year ended 30 June 2016

	Data centre and IT facilities HK\$'000	SMATV, CABD, structural cabling and security systems HK\$'000	Properties holding HK\$'000	Unallocated HK\$'000	Consolidated total HK\$'000
Amounts included in the measure of segment results:					
Depreciation of property, plant and equipment	99,339	262	-	25	99,626
Increase in fair value of investment properties	-	-	39,000	-	39,000

### Geographical information

The Group's revenue is derived from Hong Kong and the Group's non-current assets are substantially located in Hong Kong. Accordingly, no analysis by geographical location is presented.

### Information about major customer

The largest customer accounted for about 12% (2016: 11%) of the total revenue.

## 5. OTHER INCOME

	2017 HK\$'000	2016 HK\$'000
Interest income	24,704	19,569
Investment income (Note)	4,819	404
Miscellaneous	1,289	972
	-----	-----
	30,812	20,945
	=====	=====

Note:

Included in the investment income for the year ended 30 June 2017 was a non-recurring income amounting to approximately HK\$4,368,000 (2016: nil) as a result of the recognition of distributions from an unlisted equity investment.

# Notes to the Consolidated Financial Statements

## 6. OTHER GAIN AND LOSS

	2017 HK\$'000	2016 HK\$'000
Increase in fair value of investment properties	131,000	39,000
Decrease in fair value of investment at fair value through profit or loss	(55,560)	-
	-----	-----
	75,440	39,000
	=====	=====

## 7. INCOME TAX EXPENSE

	2017 HK\$'000	2016 HK\$'000
Current tax		
- Hong Kong Profits Tax	85,180	101,202
Deferred tax charge (credit)	21,859	(2,692)
	-----	-----
	107,039	98,510
	=====	=====

Hong Kong Profits Tax is calculated at 16.5% (2016: 16.5%) on the estimated assessable profits for the year.

## 8. PROFIT FOR THE YEAR

	2017 HK\$'000	2016 HK\$'000
Profit for the year has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	100,881	99,626
Interest on bank borrowing	10,024	1,292
Other finance costs	2,500	1,458
Less: amounts capitalised	(12,524)	(2,750)
	-----	-----
Total finance costs	-	-
	=====	=====

# Notes to the Consolidated Financial Statements

## 9. DIVIDENDS

	2017 HK\$'000	2016 HK\$'000
Dividend paid and recognised as distribution during the year		
- Final dividend to ordinary shareholders in respect of the immediately preceding financial year of HK12.60 cents (2016: HK12.25 cents) per share	<b>292,619</b>	284,491
- Payments to convertible noteholders in respect of the immediately preceding financial year of HK12.60 cents (2016: HK12.25 cents) for each share which such registered noteholders would have become holders of, had such registered noteholders' Convertible Notes then outstanding been converted on 3 November 2016 (2016: 5 November 2015)	<b>216,723</b>	210,703
	-----	-----
	<b>509,342</b>	495,194
	=====	=====
Dividend proposed		
- Final dividend to ordinary shareholders in respect of the current financial year of HK13.70 cents (2016: HK12.60 cents) per share	<b>318,199</b>	292,619
- Payments to convertible noteholders in respect of the current financial year of HK13.70 cents (2016: HK12.60 cents) for each share which such registered noteholders would have become holders of, had such registered noteholders' Convertible Notes then outstanding been converted on 6 November 2017 (2016: 3 November 2016)	<b>235,643</b>	216,723
	-----	-----
	<b>553,842</b>	509,342
	=====	=====

At a meeting held on 5 September 2017, the Directors recommend the declaration of a final dividend of HK13.70 cents per share for the year ended 30 June 2017. This proposed dividend is not included as a dividend payable in the consolidated statement of financial position as at 30 June 2017.

# Notes to the Consolidated Financial Statements

## 10. EARNINGS PER SHARE

### (a) Reported 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:

	2017 HK\$'000	2016 HK\$'000
Earnings for the purposes of basic and diluted earnings per share	<b>629,801</b>	548,991
	=====	=====
	2017 Number of shares	2016 Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>4,042,412,567</b>	4,042,399,666
Effect of dilutive potential ordinary shares: Share options	<b>5,125,167</b>	95,633
	-----	-----
Weighted average number of ordinary shares for the purpose of diluted earnings per share	<b>4,047,537,734</b>	4,042,495,299
	=====	=====

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 14.

Save as the share options mentioned above, there were no other dilutive potential ordinary shares in existence during the year ended 30 June 2017 and 2016.

### (b) Underlying earnings per share

For the purposes of assessing the underlying performance of the Group, underlying earnings per share is calculated based on the underlying profit attributable to owners of the Company of HK\$554,361,000 (2016: HK\$509,991,000), excluding the effect of other gain and loss. A reconciliation of profit is as follows:

	2017 HK\$'000	2016 HK\$'000
Profit attributable to owners of the Company as shown in the consolidated income statement	<b>629,801</b>	548,991
Other gain and loss (note 6)	<b>(75,440)</b>	(39,000)
	-----	-----
Underlying profit attributable to owners of the Company	<b>554,361</b>	509,991
	=====	=====

The denominators used are the same as those detailed above for both reported and underlying earnings per share.

# Notes to the Consolidated Financial Statements

## 11. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period of 30 days to its trade customers. The following is an ageing analysis of trade receivables net of allowance for doubtful debts at the year end date:

	2017 HK\$'000	2016 HK\$'000
0 - 60 days	<b>52,738</b>	57,352
61 - 90 days	<b>3,455</b>	1,457
> 90 days	<b>7,000</b>	1,663
-----	-----	-----
Trade receivables	<b>63,193</b>	60,472
Other receivables, prepayments and deposits	<b>62,488</b>	64,370
-----	-----	-----
	<b>125,681</b>	124,842
	=====	=====

## 12. TRADE AND OTHER PAYABLES

The following is an ageing analysis of trade payables at the year end date:

	2017 HK\$'000	2016 HK\$'000
Trade payables aged within 60 days	<b>56,557</b>	39,368
Trade payables aged over 60 days	-	7,220
Other payables	<b>33,168</b>	103,516
Deposits received and accruals	<b>526,796</b>	335,167
-----	-----	-----
	<b>616,521</b>	485,271
	=====	=====

## 13. BANK BORROWING

At the year end date, the Group's unsecured bank loan was denominated in Hong Kong dollar with the carrying amount of HK\$996,458,000 (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.

Subsequent to the year end date, the Group obtained another long-term banking facility of HK\$2,000,000,000 to refinance its existing unsecured bank loan and to fund various existing data centre projects.

# Notes to the Consolidated Financial Statements

## 14. 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 <b>30 June 2017</b>	<b>10,000,000,000</b>	<b>1,000,000</b>
	=====	=====
Issued and fully paid:		
At 1 July 2015	2,322,371,333	232,237
Conversion of Convertible Notes (Note (i))	1,500	-
	-----	-----
At 30 June 2016	2,322,372,833	232,237
Conversion of Convertible Notes (Note (i))	3,000	-
Exercise of share options (Note (ii))	241,000	24
	-----	-----
<b>At 30 June 2017</b>	<b>2,322,616,833</b>	<b>232,261</b>
	=====	=====

The Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company during the years ended 30 June 2017 and 2016.

Notes:

- (i) 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 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 year ended 30 June 2017, Convertible Notes in the amount of HK\$300.00 (2016: HK\$150.00) were exercised and converted into 3,000 (2016: 1,500) ordinary shares of the Company.

# Notes to the Consolidated Financial Statements

## 14. SHARE CAPITAL (continued)

Notes: (continued)

(i) – (continued)

	<b>Number of fully paid ordinary shares to be issued/(issued) upon conversion</b>	<b>Amount HK\$'000</b>
At 1 July 2015	1,720,028,333	172,003
Conversion of Convertible Notes	(1,500)	-
	-----	-----
At 30 June 2016	1,720,026,833	172,003
Conversion of Convertible Notes	(3,000)	-
	-----	-----
<b>At 30 June 2017</b>	<b>1,720,023,833</b>	<b>172,003</b>
	=====	=====

Upon conversion of all the outstanding Convertible Notes, the issued share capital of the Company would be 4,042,640,666 (2016: 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.

(ii) During the year ended 30 June 2017, 241,000 (2016: nil) shares were issued on exercise of share options.

## **DIVIDEND**

The board of Directors (the “Board”) recommended the payment of a final dividend of HK13.70 cents per share (2016: HK12.60 cents per share) to the shareholders of the Company (the “Shareholders”) whose names appear on the register of members of the Company (the “Register of Members”) on Monday, 6 November 2017, making a total dividend of HK13.70 cents per share for the full year ended 30 June 2017 (2016: HK12.60 cents per share). The proposed final dividend will be paid on Monday, 20 November 2017 following the approval at the forthcoming annual general meeting of the Company (the “2017 AGM”). Shares of the Company (the “Shares”) will be traded ex-dividend as from Thursday, 2 November 2017.

In addition, subject to the resolution for declaring the aforesaid final dividend being duly passed at the 2017 AGM, pursuant to the deed poll constituting the convertible notes dated 25 November 2010 (the “Convertible Notes”), the Company will, on Monday, 20 November 2017, pay to the noteholders of the Company (the “Noteholders”) whose names appear on the register of Noteholders (the “Register of Noteholders”) on Monday, 6 November 2017, HK13.70 cents for each share which such Noteholders would have become holders of, had such Noteholders’ Convertible Notes then outstanding been converted on Monday, 6 November 2017.

## **ANNUAL GENERAL MEETING**

The 2017 AGM will be held on Tuesday, 31 October 2017 and the notice of the 2017 AGM will be published and dispatched to the Shareholders and the Noteholders accordingly.

## **CLOSURE OF REGISTER OF MEMBERS**

In order to determine Shareholders’ entitlements to attend and vote at the 2017 AGM, the Register of Members will be closed from Thursday, 26 October 2017 to Tuesday, 31 October 2017, both dates inclusive, during which no transfer of Shares will be effected.

- (i) In the case of the Shares, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 25 October 2017; and
- (ii) In the case of the Convertible Notes, in order to be entitled to attend and vote at the 2017 AGM, the notice of conversion accompanied by the relevant note certificate and payment of the necessary amount should have been surrendered to and deposited with the Company’s registrar in respect of the Convertible Notes, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for conversion into Shares not later than 4:30 p.m. on Monday, 11 September 2017.

In addition, the Register of Members will be closed on Monday, 6 November 2017. On the assumption that the resolution for declaring the final dividend is duly passed at the 2017 AGM:

- (i) in the case of the Shares, in order to determine entitlement to the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 3 November 2017; and
- (ii) in the case of Convertible Notes, in order to determine entitlement to receive the relevant payments under the Convertible Notes, the Noteholders shall remain to be registered on the Register of Noteholders on Monday, 6 November 2017.

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

During the year ended 30 June 2017, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

## **AUDIT COMMITTEE**

The Audit Committee had reviewed the final results for the year ended 30 June 2017 and provided advice and comments thereon.

## **CORPORATE GOVERNANCE CODE**

Throughout the year ended 30 June 2017, 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 held on 28 October 2016 due to other commitment.

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

Hong Kong, 5 September 2017

*As at the date of this announcement, the Board comprises three Executive Directors, being Kwok Ping-luen, Raymond, Yan King-shun, Peter and Tung Chi-ho, Eric; six Non-Executive Directors, being Cheung Wing-yui, Fung Yuk-lun, Allen, Kwok Kai-wang, Christopher, David Norman Prince, Siu Hon-wah, Thomas and Chan Hong-ki; 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).*