



SUNeVision Holdings Ltd.

新意網集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 1686

2021/22

INTERIM REPORT

中期報告



The technology arm of Sun Hung Kai Properties Limited

CHOICE OF LANGUAGE OR MEANS OF RECEIPT OF CORPORATE COMMUNICATIONS

This interim report is now available in printed form in English and in Chinese, and on the website of the Company.

If registered shareholders/noteholders, who have received or chosen to receive or are deemed to have consented to receive this interim report by electronic means, wish to receive a printed copy, or who for any reason have difficulty in receiving or gaining access to this interim report on the Company's website, they may obtain the same free of charge by sending a request to (a) in the case of registered shareholders, the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited ("Computershare"), by post to 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or by email at sunevision@computershare.com.hk; or (b) in the case of noteholders, the Company's registrar in respect of the convertible notes, Tricor Investor Services Limited ("Tricor"), by post to Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong or by email at sunevision-ecom@hk.tricorglobal.com.

For registered shareholders/noteholders who wish to change their choice of language or means of receipt of the Company's future corporate communications free of charge, they may at any time notify (i) in the case of registered shareholders, Computershare, by post or by email (at the address or email address mentioned above); or (ii) in the case of noteholders, Tricor, by post or by email (at the address or email address mentioned above).



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Financial Highlights

FINANCIAL HIGHLIGHTS

For the period	1 Jul 21- 31 Dec 21 <i>HK\$'000</i>	1 Jan 21- 30 Jun 21 <i>HK\$'000</i>	1 Jul 20- 31 Dec 20 <i>HK\$'000</i>	1 Jan 20- 30 Jun 20 <i>HK\$'000</i>
Revenue	995,328	950,796	923,154	895,224
Cost of sales	(410,056)	(390,585)	(379,203)	(363,093)
Gross profit	585,272	560,211	543,951	532,131
Other income	1,085	1,310	3,699	5,936
Operating expenditure*	(82,245)	(70,778)	(77,172)	(76,273)
Profit from operations	504,112	490,743	470,478	461,794
Finance costs	(13,687)	(11,234)	(11,082)	(15,659)
Profit before taxation	490,425	479,509	459,396	446,135
Income tax expense	(80,087)	(80,443)	(70,735)	(72,624)
Profit for the period attributable to owners of the Company	410,338	399,066	388,661	373,511
EBITDA**				
Data centre business	747,046	714,956	669,984	623,973
ELV system business and unallocated corporate expenses	(19,028)	(16,732)	(7,974)	(2,802)
	728,018	698,224	662,010	621,171

* Selling, general and administrative expenses

** Earnings before interest, tax, depreciation and amortisation

Chairman's Statement

FINANCIAL HIGHLIGHTS

(in HK\$ million, unless specified)

For the 6 months ended 31 December	2020	2021	% Change ²
Revenue	923	995	+8%
Revenue from data centre and IT facilities	856	935	+9%
EBITDA	662	728	+10%
EBITDA (excluding Covid-19 related subsidies ¹)	648	728	+12%
Profit attributable to owners of the Company	389	410	+6%
Profit attributable to owners of the Company (excluding Covid-19 related subsidies ¹)	375	410	+10%

¹ For the 6 months ended 31 December 2020, Covid-19 government subsidies amounted to HK\$14 million

² % change is calculated based on related numbers in thousand

RESULTS

During the period under review, the Group's revenue increased 8% year on year to HK\$995 million, driven by the demand from both existing and new customers. Excluding the impact from Covid-19 related subsidies of HK\$14 million last year, EBITDA rose 12% year on year to HK\$728 million, and profit attributable to owners of the Company increased 10% year on year to HK\$410 million.

BUSINESS REVIEW

During the period under review, the demand for data centre services remained strong. Firstly, the demand for "connectivity" capacity has remained robust as the usage of online applications such as video conferencing, e-commerce, streaming and gaming stayed at a high level. This benefitted MEGA-i, which is the leading connectivity hub in Asia, housing many of the major internet players, telcos and cloud players. We see such demand to continue.

Secondly, the demand for "hyperscale" capacity has continued to be strong and unaffected by geo-political tensions. Driven by the step-up in cloud adoption in Asia, all major cloud players have been expanding their capacity in Hong Kong. This has benefitted our data centres such as MEGA Two and MEGA Plus, which provide state-of-the-art infrastructure and superior services to our customers. Our customers have become more demanding too, as their tasks are often mission-critical. As one of the very top quality data centre operators in Hong Kong, we believe our existing and new facilities will serve our customers well. In addition, since all our current data centres are self-owned, the Group provides long-term service stability which is strongly preferred by all our major customers such as cloud players. As the Group owns all of its current data centres, there are no related rental expenses and the adoption of HKFRS 16 did not have any impact on the Group's EBITDA accordingly. On the contrary, many of the Group's industry peers have experienced a significant increase in EBITDA simply due to the adoption of HKFRS 16 or IFRS 16. Therefore, the quality of

the Group's EBITDA is substantially higher than that of many of our industry peers who rent their data centre facilities.

SUNeVision believes that the growth of the data centre industry in Hong Kong is beneficial to every participant. We are committed to providing the best infrastructure and services to our customers. At the same time, we also strongly believe in fair and open competition. In June 2021, SUNeVision attended the appeal court hearing against the judgment on the judicial review case regarding alleged breach of the lease restrictions by data centre operators within Tseung Kwan O Industrial Estate ("TKOIE") (recently renamed as Tseung Kwan O INNOPARK) in subletting and sharing occupation of heavily subsidised land, and is now awaiting judgment. SUNeVision would like to stress that some TKOIE data centre operators have been operating in a way that allegedly involves subletting or permitting third parties to occupy the leased premises. This is particularly problematic because the premium paid by data centre operators within TKOIE is substantially below market price. Take for instance, the land premium charged by the Hong Kong Science and Technology Parks Corporation ("HKSTPC") in 2019 was HK\$687 per square foot, which was significantly lower than the publicly tendered market price of HK\$4,500 per square foot in a comparable nearby site in Tseung Kwan O in the end of 2018. SUNeVision's data centres in Tseung Kwan O, on the other hand, are built on open tender sites with no restrictions on subletting and customer usage. SUNeVision can hence serve our customers more effectively and flexibly, and our customers will enjoy a higher degree of protection and privacy. The Group is a strong supporter of Hong Kong's vision to becoming a "technology hub" in the region. Hence, the Group believes that HKSTPC must better prioritise its precious land resources on the research and development of various cutting-edge technologies such as Artificial Intelligence (AI), biotech, semiconductor integrated circuit (IC), green and intelligent manufacturing, digitalisation of the city, and so on, in accordance with the National 14th Five-Year Plan.

PROSPECTS

Looking ahead, SUNeVision has an exciting pipeline for growth, particularly around our two new self-owned data centres, namely MEGA Gateway in Tsuen Wan and Phase 1 of MEGA IDC in Tseung Kwan O. Despite the ongoing challenges of many staff and partners working away from their offices as well as global supply chains and logistics issues, construction for our new projects has progressed to the final stages. The two new facilities are now targeted to be opened in the second half of 2022 and the first half of 2023 respectively. This is important, because our current facilities are nearly full, and these two projects will substantially increase SUNeVision's capacity to serve our customers.

Customer interest for these new data centres is strong. So far we have already received pre-commitments from several major customers for our MEGA Gateway, which is designed to be a connectivity hub and complementary to MEGA-i. The same strong interest applies to MEGA IDC even though it is a year before it will become operational. We have received firm interest from several cloud service providers. They are attracted by the superior infrastructure and provision; and unlike data centres in the nearby industrial estate, they know that MEGA IDC is free from any subletting restrictions. MEGA Fanling, the Group's eighth data centre located in Fanling, will also start to operate soon. It is already fully committed and will be occupied by a single cloud customer. Upon completion of these projects, the total gross floor area of the Group's data centres in Hong Kong will grow from the current 1.4 million square feet to almost 3 million square feet, and its power capacity will quadruple from the current 70MW to 280MW when the facilities are fully operational. The Group will continue to receive strong support from its major shareholder and sufficient loan facilities from banks to meet the funding needs of its current expansion.

As part of our commitment to provide state-of-the-art data centre services, the Group has continued to upgrade its existing facilities. The power density and the infrastructure of both MEGA-i and MEGA Two have been upgraded. This allows existing customers to increase their power usage without the need to expand their floor area and enables new customers with high-power requirements to establish their presence in the facilities. We take

ESG (Environmental, Social and Governance) seriously as well. To demonstrate our commitment to improving the Group's environmental performance, we have set targets of achieving an overall Coefficient of Performance ("COP") of 5 or above for the Group's chillers by the year 2030, resulting in a substantial decrease in carbon intensity for data centre cooling. We will achieve these targets by procuring and deploying energy-efficient water-cooled and air-cooled chillers in our existing and new data centres. Another example is at MEGA Plus, solar panels are being installed to improve power usage efficiency and allow the Group to further reduce its carbon footprint. SUNeVision will continue to invest in best-in-class infrastructure and services to serve its customers in a sustainable environment.

The current wave of Covid-19 pandemic is ferocious and is impacting Hong Kong significantly in all aspects. Notwithstanding the challenging operational environment, all our data centres remain resilient and services to our customers continue with no disruption. The Group has taken extra care to implement strict measures in all our data centres and offices to ensure the health and safety of our staff and customers. The Group has also developed a set of Business Continuity Plan (BCP) actions if and when Covid-19 cases are identified on site. Under no circumstances will we allow our mission-critical services to our customers be impacted.

APPRECIATION

I would like to close by thanking all the Directors and management, and every member of our committed staff for their dedication and hard work to ensure we maintained the high levels of service demanded by our customers. I would also like to thank our shareholders for their continued confidence and support.

Kwok Ping-luen, Raymond

Chairman

Hong Kong, 22 February 2022

Management Discussion and Analysis

BUSINESS REVIEW

iAdvantage

SUNeVision operates its data centre business under iAdvantage. The Group currently owns and operates five data centres in Hong Kong, and has three new sites under construction of which two are owned by the Group. iAdvantage is the largest, most connected, carrier-neutral and cloud-neutral data centre operator in Hong Kong, with best-in-class facilities built around the MEGA Campus (consisting of MEGA-i, MEGA Plus and MEGA Two) and is regarded as the preferred data centre operator to partner with in Hong Kong. Customers of iAdvantage include global and regional cloud service providers, new economy players, telcos, Internet Service Providers (ISPs), large multinationals and local enterprises.

During the period under review, driven by the ongoing digitalisation trend globally, new customer contracts were signed, which included hyperscale and cloud customers who needed additional data centre space to meet the rapidly growing demand for their services. MEGA-i is a well-established and major connectivity hub in Asia, currently carrying around 15,000 cross-connects interconnecting hundreds of the world's largest telcos, ISPs, enterprises, cloud and new economy players within its ecosystem. During the financial year 2020/21, the Group upgraded the power capacity of MEGA-i by 40% to meet the increasing demand from customers, which has further supported the Group's growth in its connectivity business. MEGA Plus, the Group's high-tier flagship data centre located in Tseung Kwan O, continued to see strong demand from global cloud service providers and new economy players. MEGA Two, strategically located in Shatin, serves as a critical pathway for data traffic in and out of mainland China. The revitalisation work on multiple floors of MEGA Two completed in the financial year 2020/21 has allowed the Group to meet the rising high power density needs of hyperscale and cloud customers in this strategic location. In addition, since all of its current data centres are self-owned, the Group provides long-term service stability which is strongly preferred by all its major customers such as cloud players.

Despite the ongoing challenges of many staff and partners working away from their offices as well as global supply chains and logistics issues, construction of the new data centre projects has progressed to the final stages. MEGA Gateway, the new site TWTL 428 in Tsuen Wan has approximately 200,000 square feet of GFA and is located near the Group's existing facility JUMBO. It is targeted to be opened in the second half of 2022. Designed to be a connectivity hub and complementary to MEGA-i, customer's interest for MEGA Gateway is strong, and we have already received pre-commitments from several major customers.

MEGA IDC, the greenfield site TKOTL 131 in Tseung Kwan O, which is adjacent to MEGA Plus, has approximately 1.2 million square feet of GFA and will support an ultra-high IT power capacity of up to 180MW. Being built on a dedicated data centre land, MEGA IDC is free from any subletting restrictions applicable to data centres in the nearby industrial estate. Phase 1 of MEGA IDC (approximately 500,000 square feet of GFA) is targeted to be opened in the first half of 2023. This facility will be the largest data centre in Hong Kong measured by power capacity, and will provide customers with the advantage of being able to support their ongoing expansion needs for both space and power. We have received firm interest from several cloud service providers, notwithstanding it is a year before MEGA IDC will become operational. Phase 2 of MEGA IDC has approximately 700,000 square feet of GFA, and the Group will employ the latest technologies and designs in its construction.

MEGA Fanling, the new single user data centre project announced in July 2021, will be the Group's 8th data centre in Hong Kong. A major hyperscale customer has committed, under a multi-year contract, to take this whole facility to meet its development needs in Hong Kong and the Asia region. The Group rented an industrial building in Fanling, New Territories, Hong Kong which is owned by an affiliate of the major shareholder of the Company, Sun Hung Kai Properties Limited, and will invest a significant amount of capital and resources to upgrade it for data centre use. This will be the Group's first single-user data centre fully pre-committed from inception and it will be ready-for-service in 2022.

Upon completion of these three new projects, the total gross floor area of the Group's data centres in Hong Kong will grow from the current 1.4 million square feet to almost 3 million square feet, and its power capacity will quadruple from the current 70MW to 280MW when the facilities are fully operational. Demand for premium data centre facilities is growing, and with the timely supply of the three new data centres, the Group is well positioned to benefit from the ongoing digitalisation trend and maintain its leading market position in Hong Kong.

The current wave of Covid-19 pandemic is ferocious and is impacting Hong Kong significantly in all aspects. Notwithstanding the challenging operational environment, all of the Group's data centres remain resilient and services to its customers continue with no disruption. The Group has taken extra care to implement strict measures in all its data centres and offices to ensure the health and safety of its staff and customers. The Group has also developed a set of Business Continuity Plan (BCP) actions if and when Covid-19 cases are identified on site. Under no circumstances will the Group allow its mission-critical services to its customers be impacted.

Management Discussion and Analysis

As the largest data centre provider in Hong Kong and the number one connectivity hub in Asia, the Group is pleased to have received the CAHK STAR Awards 2021 in the category of “Innovative Data Centre Service” presented by the Communications Association of Hong Kong (CAHK). The Group is also honoured to have received the “2021 China IDC Industry Best Data Centre Provider (Overseas)” Award at the 16th China IDC Industry Annual Ceremony (IDCC2021) and W.Media Asia Pacific Cloud & Data Centre Awards – MultiCloud Management (Northeast Asia). These awards are examples of industry recognition of the Group’s leading position in the data centre industry in Hong Kong and the Asia-Pacific region.

With a commitment to creating a sustainable future and improving the Group’s environmental performance, we have set targets of achieving an overall Coefficient of Performance (“COP”) of 5 or above for the Group’s chillers by the year 2030, which will result in a substantial decrease in carbon intensity for data centre cooling. The Group will achieve these targets by procuring and deploying energy-efficient water-cooled and air-cooled chillers in its existing and new data centres. Another example is at MEGA Plus, solar panels are being installed to improve power usage efficiency and will allow the Group to further reduce its carbon footprint. The Group is honoured to be the only data centre provider in Hong Kong to have received the Renewable Energy Contribution Award presented by CLP Power Hong Kong for the second consecutive year. To further reduce carbon emissions, the Group was involved in the CLP Retro-Commissioning Charter programme to improve the energy efficiency of its buildings. These awards serve as a recognition and demonstration for its ongoing commitment to environmental sustainability. The Group will continue to provide world-class data centre infrastructure and services to its customers in a sustainable environment.

To further promote a better and more sustainable digital future for Hong Kong, SUNeVision announced the launch of the Hong Kong Chapter of Infrastructure Masons (“iMasons”) in July 2021. iMasons is a global, non-profit, professional association of technology and business leaders with an objective to make a better-connected world for everyone. As the Hong Kong Chapter lead, SUNeVision will continue to aggregate industry peers in the city to foster effective collaboration and influence the digital infrastructure industry.

Super e-Technology and Super e-Network

Super e-Technology secured contracts for the installation of Extra Low Voltage (“ELV”) and IT systems totalling HK\$50 million during the period under review. Super e-Technology is seeking new opportunities to enhance its service offerings and maintains a positive outlook for the ELV sector.

Super e-Network continued to work with broadband and network service providers to expand its service offerings. It has been actively pursuing new opportunities to expand its broadband and Wi-Fi solutions to different sectors.

FINANCIAL REVIEW

Review of operating results

During the period under review, the Group’s revenue increased 8% year on year to HK\$995 million. Revenue from data centre and IT facilities business rose 9% year on year to HK\$935 million, driven largely by the demand from both existing and new customers, and the full period contribution of new contracts signed in the financial year 2020/21. Revenue from ELV and IT systems business decreased 10% year on year to HK\$61 million as a result of a reduced installation fee income. The Group’s cost of sales increased 8% year on year to HK\$410 million, primarily due to higher depreciation charges and operating costs attributable to the expansion of the Group’s data centre facilities. Operating expenditure increased 7% year on year to HK\$82 million, as more resources were deployed in selling and administration of the data centre services. For the 6 months ended 31 December 2020, the Group received Covid-19 related government subsidies (“the Covid Subsidies”) amounted to HK\$14 million which offset against staff cost in cost of sales and operating expenditure.

Operating profit of the Group rose 7% year on year to HK\$504 million. Operating profit from data centre and IT facilities (before corporate expenses, interest and tax) rose 9% year on year to HK\$523 million and operating profit from ELV and IT systems (before corporate expenses, interest and tax) decreased 21% year on year to HK\$16 million.

EBITDA of the Group increased 10% (or 12% if excluding the Covid Subsidies) year on year to HK\$728 million, driven mainly by EBITDA growth from the data centre business. The EBITDA margin rose to 73% from 72% in the previous period, mainly due to improved economies of scale and cost efficiency. As the Group owns all of its current data centres, there are no related rental expenses and the adoption of HKFRS 16 did not have any impact on the Group’s EBITDA accordingly. On the contrary, many of the Group’s industry peers have experienced a significant increase in EBITDA simply due to the adoption of HKFRS 16 or IFRS 16. Therefore, the quality of the Group’s EBITDA is substantially higher than that of many of its industry peers who rent their data centre facilities.

Profit attributable to owners of the Company increased 6% (or 10% if excluding the Covid Subsidies) year on year to HK\$410 million. Finance costs increased 24% year on year to HK\$14 million mainly due to the increased level of borrowings.

Management Discussion and Analysis

Capital Investment

The new data centre developments of MEGA Gateway, MEGA IDC and MEGA Fanling will enhance and expand the Group's high-tier data centre capacity to meet the increasing data demands and operational requirements of the Group's customers. Data centre business is a capital-intensive industry, requiring long-term capital commitment. The Group is committed to continuing investment in existing and new infrastructure for new business development and regularly reviews its investment profile to take into account of the changing customer and market environment.

Other financial discussion and analysis

The Group had HK\$333 million bank balances and deposits as of 31 December 2021, while bank borrowings were HK\$7,625 million. Total net bank borrowings increased 6% to HK\$7,292 million compared to HK\$6,874 million as at 30 June 2021. The shareholder's loan was HK\$3,800 million as at 31 December 2021, being an unsecured 6-year term loan from Sun Hung Kai Properties Limited and its subsidiaries (the "SHKP Group") at a fixed interest rate of 3% per annum, maturing in 2025. Effective from 1 August 2020, the interest rate reduced from 4% per annum to 3% per annum. SHKP Group will continue to support the Group's development in the long term.

In November 2021, the Group had successfully obtained a HK\$3,000 million 5-year term and revolving loan facility from a bank to fund various new and existing data centre projects.

The gearing ratio, being net debt divided by equity attributable to owners of the Company, as of 31 December 2021 was 272%; excluding the long-term unsecured shareholder's loan of HK\$3,800 million from SHKP Group, such ratio was 179%.

The Group has the capacity to fund its growth plans in the medium term, taking into account the financial resources available including internally generated funds and available banking facilities. The Board's intention is to continue with its current dividend policy.

As of 31 December 2021, the Group had no contingent liability while the Company had an aggregate of HK\$7,739 million contingent liabilities in respect of guarantees for general banking facilities utilised by the Group's subsidiaries 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 31 December 2021.

EMPLOYEES

The Group employed 388 full-time employees as of 31 December 2021. During the period under review, SUNeVision continued to promote and protect the health and safety of its employees. Amidst the ongoing Covid-19, the Group implemented various measures to safeguard the wellbeing of employees while maintaining the highest service standards to customers at the same time.

To remain competitive in the employment market and to prepare for the challenges of the growing demand for high-end data centre facilities in Hong Kong, SUNeVision continues to focus on the development and retention of its people. Training workshops are organised regularly whereby employees can develop skills to enhance their career. In addition, the Group offers a competitive remuneration package to employees. Fringe benefits, including Mandatory Provident Fund contributions and medical insurance, are reviewed regularly. Share options are granted to selected Directors and employees based on performance and as part of the package to retain talents.

Directors' Profile

EXECUTIVE DIRECTORS

Kwok Ping-luen, Raymond (Age: 68)

Chairman

Mr. Kwok has been the Chairman and an Executive Director of the Company since 29 January 2000 and he is a director of certain subsidiaries of the Company. He holds a Master of Arts degree in Law from Cambridge University, a Master's degree in Business Administration from Harvard University, an Honorary Doctorate degree in Business Administration from Hong Kong Metropolitan University and an Honorary Doctorate degree in Laws from The Chinese University of Hong Kong.

Mr. Kwok is the chairman and managing director and a member of the executive committee of Sun Hung Kai Properties Limited ("SHKP"), the substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). Prior to the appointment as chairman of SHKP, Mr. Kwok had acted as vice chairman of SHKP. He is also the chairman and a non-executive director of SmarTone Telecommunications Holdings Limited, and a non-executive director of Transport International Holdings Limited and Wing Tai Properties Limited.

In civic activities, Mr. Kwok is a member of the 13th National Committee of the Chinese People's Political Consultative Conference. He is also a director of The Real Estate Developers Association of Hong Kong and a member of the council of The Chinese University of Hong Kong.

Mr. Kwok is the father of Mr. Kwok Kai-wang, Christopher (being a Non-Executive Director of the Company).

Save as disclosed above, Mr. Kwok (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

Mr. Kwok has entered into a service agreement with the Company for a period of three years commencing on 1 March 2003 and shall continue thereafter until terminated by either party giving to the other not less than six months' prior written notice, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Kwok received a director's fee of HK\$60,000 for being the Chairman of the Company. His director's fee is fixed by the Board while his annual salary is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Directors' Profile

Fung Yuk-lun, Allen (Age: 53)

Vice Chairman

Mr. Fung is a Vice Chairman of the Company. He was appointed as a Non-Executive Director of the Company in January 2014 and re-designated as an Executive Director of the Company on 2 April 2018. He is also the Authorised Representative of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). Mr. Fung is a member of each of the Remuneration Committee and Corporate Governance Committee of the Board. He is also a director of certain subsidiaries of the Company. He obtained an undergraduate degree (Modern History) from Oxford University and holds a doctoral degree in History and East Asian Languages from Harvard University. From 1996 to 1997, Mr. Fung was a visiting Assistant Professor of History at Brown University. From 1997 to 2013, he worked in McKinsey & Company Hong Kong, where he became the managing partner and director.

Mr. Fung is an executive director and a member of the executive committee of Sun Hung Kai Properties Limited ("SHKP"), the substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as well as the chief executive officer of the SHKP group's non-property related portfolio investments. He is also a director of certain subsidiaries of SHKP. Mr. Fung is a deputy chairman and an executive director of SmarTone Telecommunications Holdings Limited. He is also a non-executive director of Transport International Holdings Limited.

Mr. Fung is a member of the General Committee of the Hong Kong General Chamber of Commerce. He is an honorary secretary of The Hong Kong Federation of Youth Groups, a council member and an executive committee member of The Hong Kong Management Association and the president of the Hong Kong Society for the Protection of Children. Mr. Fung is a member of the board of the Asian Youth Orchestra, a board member of the Hong Kong Tourism Board, the vice-chairman of the board of the Hong Kong Philharmonic Society Limited, and a member of the Museum Advisory Committee of the Leisure and Cultural Services Department of the Government of the Hong Kong Special Administrative Region.

Save as disclosed above, Mr. Fung (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Listing Rules) of the Company.

Mr. Fung has entered into a service agreement with the Company for a period of three years commencing on 2 April 2018 and shall continue thereafter until terminated by either party giving written notice to the other, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Fung received a director's fee of HK\$52,500 for being the Vice Chairman of the Company and a member of each of the Remuneration Committee and Corporate Governance Committee of the Board. His director's fee is fixed by the Board while his annual salary is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Directors' Profile

Tong Kwok-kong, Raymond (Age: 47)

Chief Executive Officer

Mr. Tong has been an Executive Director and the Chief Executive Officer of the Company since 19 June 2018. He is also a director of certain subsidiaries of the Company. Mr. Tong completed his Management & Technology Dual-Degree Program with honors, with Bachelor of Science in Economics (in Finance) from Wharton School, and Bachelor of Science in Engineering (in Electrical Engineering) from School of Engineering and Applied Science, both from University of Pennsylvania.

Mr. Tong has over 20 years of business management and operations experience across different industries. He is a dynamic leader with broad exposure and has spearheaded growth initiatives in his different roles. Before joining the Group, he was the chief operating officer of Maxim's group, responsible for the group's overall growth and execution of Asian expansion strategy, managing information technologies and digital initiatives, and mergers and acquisitions. Prior to this, he was the chief executive officer of Pacific Coffee Company, driving the growth of the chain in Hong Kong and China. Mr. Tong also has rich experience in high-tech as well. He was for a number of years a senior director at CSMC Technologies Corporation (now known as China Resources Microelectronics Limited), a leading Chinese semi-conductor company (subsequently acquired by China Resources group), responsible for international sales and business development. Mr. Tong was an independent non-executive director of Sling Group Holdings Limited (December 2017 – January 2019).

Mr. Tong is a member of the Young Presidents' Organisation (YPO), China Pearl River Delta (PRD) Chapter. He was a member of the advisory council of Infrastructure Masons.

Save as disclosed above, Mr. Tong (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

Mr. Tong has entered into a service agreement with the Company for a period of three years commencing on 19 June 2018 and shall continue thereafter until terminated by either party giving written notice to the other, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Tong received a director's fee of HK\$52,500 and other emoluments (including basic salaries and allowances, bonuses and retirement benefit scheme contributions) of approximately HK\$9,240,000 for being an Executive Director and the Chief Executive Officer of the Company. His director's fee is fixed by the Board while his annual salary is determined by the Board from time to time mainly with reference to market pay level and his contributions and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Directors' Profile

Tung Chi-ho, Eric (Age: 62)

Mr. Tung has been an Executive Director of the Company since 29 January 2000. He holds a Bachelor of Arts degree in Architectural Studies and a Bachelor of Architecture degree from The University of Hong Kong. Mr. Tung is a member of The Hong Kong Institute of Architects and a registered Architect.

Mr. Tung is the chairman of iAdvantage Limited, a subsidiary of the Company and a director of certain subsidiaries of the Company. He has been with the Sun Hung Kai Properties group for more than 30 years and has been an executive director of Sun Hung Kai Properties Limited ("SHKP"), the substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), since December 2013. Mr. Tung is a member of the executive committee of SHKP and an executive director of Sun Hung Kai Real Estate Agency Limited, a subsidiary of SHKP. He served as project director for various large-scale residential, commercial and mixed developments and oversaw the completion of data centres for major tenants such as JP Morgan and ING Barings.

Save as disclosed above, Mr. Tung (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

Mr. Tung has entered into a service agreement with the Company for a period of three years commencing on 1 March 2003 and shall continue thereafter until terminated by either party giving to the other not less than six months' prior written notice, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Tung received a director's fee of HK\$45,000 for being a director of the Company. His director's fee is fixed by the Board while his annual salary is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Chan Man-yuen, Martin (Age: 65)

Mr. Chan has been an Executive Director of the Company since 31 October 2019. He has been the Chief Operating Officer of the Company since 1 April 2015 and is also a director of certain subsidiaries of the Company. Mr. Chan obtained his Higher Diploma in Electronic Engineering from The Hong Kong Polytechnic University, and his Master of Arts (major in Information Technology Management) from Macquarie University, Australia.

Mr. Chan graduated from an engineering discipline and developed into a highly competitive and seasoned business executive with over 40 years' experiences in the information and communications technology industry.

Mr. Chan joined the Company in 2012 and has been a key member in developing the Company and its subsidiaries (the "Group") into a leader of data centre service provider in Hong Kong, with top-notch facilities and best practice operation, meeting the demand of global internet companies.

Before joining the Group, Mr. Chan was the senior vice president of PCCW Limited and has served in the information technology division for 23 years, during which he had held various senior management positions in application development, operation management, outsourcing as well as data centre business.

Prior to this, Mr. Chan had worked in Paxus Financial Systems in Australia, where he served in the research and development division and was also the business development manager of Asia.

Mr. Chan was a Project Management Professional of Project Management Institute, USA (2001) and Certified Professional of IT (Project Director) of The Hong Kong Institute for IT Professional Certification (2007). Mr. Chan received fellowship from Hong Kong Computer Society in 2004 and was also its vice president (2001 – 2005).

Directors' Profile

Mr. Chan is a member of Hong Kong Information Technology Joint Council.

Save as disclosed above, Mr. Chan (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

Mr. Chan has entered into a service agreement with the Company for a period of three years commencing on 31 October 2019 and shall continue thereafter until terminated by either party giving written notice to the other, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Chan received a director's fee of HK\$45,000 and other emoluments (including basic salaries and allowances, bonuses and retirement benefit scheme contributions) of approximately HK\$3,954,000 for being an Executive Director and the Chief Operating Officer of the Company. His director's fee is fixed by the Board while his annual salary is determined by the Board from time to time mainly with reference to market pay level and his contributions and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Lau Yeuk-hung, Fiona (Age: 40)

Ms. Lau has been an Executive Director of the Company since 31 October 2019 and currently holds the position as Chief Commercial Officer. She holds a Bachelor of Arts degree in Philosophy from The University of Chicago.

Ms. Lau joined Sun Hung Kai Properties Limited ("SHKP"), the substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), since June 2017, as the Assistant Director of the non-property related portfolio investments. She has since taken up various leadership roles of the Company, responsible for business development, corporate strategy, sales and marketing, product development and investor relations. Prior to SHKP, Ms. Lau was a director at BlackRock Asset Management (North Asia), where she held various senior positions across the chairman's office, corporate strategy, and retail and private banking functions during 2010-2017. From 2005 to 2010 she worked in McKinsey & Company and held the position of engagement manager.

Save as disclosed above, Ms. Lau (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

Ms. Lau has entered into a service agreement with the Company for a period of three years commencing on 31 October 2019 and shall continue thereafter until terminated by either party giving written notice to the other, but is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Ms. Lau received a director's fee of HK\$45,000 and other emoluments (including basic salaries and allowances, bonuses and retirement benefit scheme contributions) of approximately HK\$3,561,000 for being an Executive Director and the Chief Commercial Officer of the Company. Her director's fee is fixed by the Board while her annual salary is determined by the Board from time to time mainly with reference to market pay level and her contributions and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

NON-EXECUTIVE DIRECTORS

Cheung Wing-yui (Age: 72)

Vice Chairman

Mr. Cheung is a Vice Chairman of the Company and has been a Non-Executive Director of the Company since 29 January 2000. He is the Chairman of the Corporate Governance Committee of the Board and is a member of each of the Audit Committee, Remuneration Committee and Nomination Committee. Mr. Cheung received a Bachelor of Commerce degree in accountancy from The University of New South Wales, Australia and is a member of the CPA Australia. He has been a practising solicitor in Hong Kong since 1979 and is a consultant of the law firm Woo Kwan Lee & Lo. Mr. Cheung was also admitted as a solicitor in the United Kingdom and as an advocate and solicitor in Singapore.

Mr. Cheung is a deputy chairman and a non-executive director of SmarTone Telecommunications Holdings Limited. He is also a non-executive director of Tai Sang Land Development Limited, Tianjin Development Holdings Limited and Transport International Holdings Limited. Mr. Cheung was a non-executive director of SRE Group Limited (November 1999 – December 2015), an independent non-executive director of Ping An Insurance (Group) Company of China, Ltd. (May 2003 – June 2009), Hop Hing Group Holdings Limited (November 1989 – August 2017) and Agile Group Holdings Limited (October 2005 – February 2018). He is a non-executive director of Sun Hung Kai Properties Insurance Limited, which is a wholly-owned subsidiary of Sun Hung Kai Properties Limited, the substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Mr. Cheung is currently member of Sponsorship & Development Fund Committee and a court member of Hong Kong Metropolitan University, and an honorary council member of The Hong Kong Institute of Directors Limited. He is also a director of The Community Chest of Hong Kong. Mr. Cheung had held the positions of deputy chairman of the council and a co-deputy chairman of Sponsorship & Development Fund Committee of Hong Kong Metropolitan University, the deputy chairman of The Hong Kong Institute of Directors Limited, a director of Po Leung Kuk, the vice chairman of the Mainland Legal Affairs Committee of The Law Society of Hong Kong, a member of the Board of Review (Inland Revenue Ordinance) and the fourth vice president & Admissions, Budgets and Allocations Committee chairman of The Community Chest of Hong Kong.

Mr. Cheung was awarded the Bronze Bauhinia Star (BBS) in 2013.

Mr. Cheung was awarded an honorary degree of Doctor of Business Administration from Hong Kong Metropolitan University in 2016.

Save as disclosed above, Mr. Cheung (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Mr. Cheung. Mr. Cheung received an appointment letter from the Company for his appointment as a Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Cheung received a director's fee of HK\$270,000 for being the Vice Chairman of the Company and a member of each of the Audit Committee, Remuneration Committee, Nomination Committee and Corporate Governance Committee of the Board. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Directors' Profile

Kwok Kai-wang, Christopher (Age: 35)

Mr. Kwok has been a Non-Executive Director of the Company since 1 February 2017. He holds a Bachelor of Science Degree in Chemistry from Harvard University and a Master's degree in Business Administration from Stanford Graduate School of Business. Mr. Kwok is an executive director and a member of the executive committee of Sun Hung Kai Properties Limited ("SHKP"), the substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). He joined the SHKP group in 2011 and is primarily responsible for the leasing of residential, retail and commercial properties of the SHKP group in Hong Kong and on the mainland. Besides, he assumes the overall responsibilities for the property business in Northern China. He also assists Mr. Kwok Ping-luen, Raymond ("Mr. Raymond Kwok", the chairman and managing director of SHKP as well as the Chairman and an Executive Director of the Company) in all other non-property businesses of the SHKP group. Mr. Kwok is a son of Mr. Raymond Kwok.

In addition, Mr. Kwok is a member of the General Committee of the Employers' Federation of Hong Kong and a convenor of the Development Committee of the Hong Kong Chronicles Institute under Our Hong Kong Foundation. He is also a member of the Beijing Municipal Committee of the Chinese People's Political Consultative Conference and a vice-chairman of Greater Bay Area Homeland Youth Community Foundation.

Save as disclosed above, Mr. Kwok (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Mr. Kwok. Mr. Kwok received an appointment letter from the Company for his appointment as a Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Kwok received a director's fee of HK\$45,000 for being a director of the Company. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

David Norman Prince (Age: 70)

Mr. Prince has been a Non-Executive Director of the Company since 29 October 2016. He is a member of the Chartered Institute of Management Accountants (UK) and the Chartered Institute of Purchasing and Supply (UK). Mr. Prince has been a non-executive director of SmarTone Telecommunications Holdings Limited since 2005. He is also a director of Wilson Group Limited, a wholly-owned subsidiary of Sun Hung Kai Properties Limited ("SHKP"), the substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as well as a consultant of Sun Hung Kai Real Estate Agency Limited, a wholly-owned subsidiary of SHKP.

Mr. Prince has over 20 years' experience of operating at board level in an international environment. He is currently a non-executive director and a member of the audit committee as well as the governance and nomination committee of Adecco SA which is the global leader in human resources services. Mr. Prince was previously a non-executive director of Ark Therapeutics plc.

Mr. Prince was group finance director of Cable and Wireless plc. until December 2003 and prior to this, spent some 12 years working in the telecommunications industry in Hong Kong and Asia and on the mainland. From 1994 to 2000 he was finance director and latterly deputy chief executive officer of Hong Kong Telecommunications Limited until it was acquired by PCCW in 2000. Mr. Prince went on to join PCCW plc. as group chief financial officer. In 2002, he left PCCW to join Cable and Wireless as group finance director. Prior to his time in Hong Kong, he held senior management roles for Cable and Wireless. His early career was spent in the gas, oil and electronic industries within Europe and the USA.

Directors' Profile

Save as disclosed above, Mr. Prince (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Mr. Prince. Mr. Prince received an appointment letter from the Company for his appointment as a Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Prince received a director's fee of HK\$150,000 for being a director of the Company. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Siu Hon-wah, Thomas (Age: 68)

Mr. Siu has been a Non-Executive Director of the Company since 7 May 2010. He holds a MPhil degree from University of Cambridge and a PhD degree in Information Systems. Mr. Siu is a Certified Public Accountant and is a member of the British Computer Society.

Mr. Siu is a non-executive director of SmarTone Telecommunications Holdings Limited. He was the managing director of Wilson group (until June 2018), which is a major transport infrastructure services provider in Hong Kong and is wholly-owned by Sun Hung Kai Properties Limited, the substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), and is currently a senior consultant of Wilson group. Prior to joining Wilson group, Mr. Siu had more than 25 years of experience in telecommunications and IT sectors. His experience covers finance, business operations and development.

Save as disclosed above, Mr. Siu (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Mr. Siu. Mr. Siu received an appointment letter from the Company for his appointment as a Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Siu received a director's fee of HK\$45,000 for being a director of the Company. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Chan Hong-ki, Robert (Age: 57)

Mr. Chan has been a Non-Executive Director of the Company since 7 August 2017. He graduated from the Hong Kong Polytechnic University and holds a Bachelor's Degree from the University of Greenwich.

Mr. Chan joined Sun Hung Kai Properties Limited ("SHKP"), the substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), in 1993. He is a member of the executive committee of SHKP and an executive director of Sun Hung Kai Real Estate Agency Limited, a wholly-owned subsidiary of SHKP. Mr. Chan is a project director for various key residential, commercial, industrial and mixed developments both in Hong Kong and on the mainland. He is also an executive director of Sun Hung Kai Architects and Engineers Limited, a wholly-owned subsidiary of SHKP, and is responsible for design aspects including architectural, structural, electrical and mechanical, landscape and interior design of various development projects.

Directors' Profile

Mr. Chan is a member of The Hong Kong Institute of Surveyors and The Royal Institution of Chartered Surveyors and a Registered Professional Surveyor. He is also an Authorised Person under the Buildings Ordinance (Chapter 123 of the laws of Hong Kong).

Mr. Chan was a director of BEAM Society Limited and a member of the Appeal Tribunal Panel (Buildings).

Save as disclosed above, Mr. Chan (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Mr. Chan. Mr. Chan received an appointment letter from the Company for his appointment as a Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Chan received a director's fee of HK\$45,000 for being a director of the Company. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Li On-kwok, Victor (Age: 67)

Professor Li has been an Independent Non-Executive Director of the Company since 29 January 2000. He is also the Chairman of the Nomination Committee and a member of each of the Audit Committee and Remuneration Committee of the Board. Professor Li received his bachelor's, master's, engineer's and doctoral degrees in Electrical Engineering and Computer Science from the Massachusetts Institute of Technology in 1977, 1979, 1980 and 1981 respectively.

Professor Li was the head (until 28 February 2018) of the Department of Electrical and Electronic Engineering ("EEED") at The University of Hong Kong ("HKU"), and is Chair Professor of Information Engineering and Cheng Yu-Tung Professor in Sustainable Development of the EEED at HKU. Prior to joining HKU, he was Professor of Electrical Engineering at the University of Southern California ("USC") and director of the USC Communication Sciences Institute. Professor Li has chaired various committees of international professional organisations such as the Technical Committee on Computer Communications of the Institute of Electrical and Electronic Engineers. He was awarded the Bronze Bauhinia Star by the Government of Hong Kong in 2002.

Save as disclosed above, Professor Li (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Professor Li. Professor Li received an appointment letter from the Company for his appointment as an Independent Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Professor Li received a director's fee of HK\$240,000 for being a director of the Company and a member of each of the Audit Committee, Remuneration Committee and Nomination Committee of the Board. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Directors' Profile

King Yeo-chi, Ambrose (Age: 87)

Professor King has been an Independent Non-Executive Director of the Company since 1 January 2007. He is also the Chairman of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee of the Board. Professor King received his BA from National Taiwan University (1957), MA from National Cheng Chi University (1959), and PhD from the University of Pittsburgh (1970).

Professor King is the Emeritus Professor of Sociology at The Chinese University of Hong Kong. He has been the head of New Asia College (1977 – 1985), Chair Professor of Sociology (1983 – 2004), Pro-Vice-Chancellor (1989 – 2002) and Vice-Chancellor (2002 – 2004) at The Chinese University of Hong Kong. In addition, Professor King has been the Visiting Fellow at the Centre of International Studies, MIT (1976) and Visiting Professor at University of Heidelberg (1985) and University of Wisconsin (1986). He was elected as Academician, Academia Sinica, Taipei (1994).

Professor King has held many advisory positions to the Hong Kong Government such as Independent Commission Against Corruption, The Law Reform Commission, Central Policy Unit and University Grants Committee – Research Grants Council. He is a member of the board of directors of Chiang Ching-kuo Foundation for International Scholarly Exchange. Professor King was appointed the Non-Official Justice of Peace in 1994. He was awarded the Silver Bauhinia Star of Hong Kong and the Doctor of Literature, honoris causa of the Hong Kong University of Science and Technology in 1998 and the Doctor of Laws, honoris causa of The Chinese University of Hong Kong in 2005.

Save as disclosed above, Professor King (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Professor King. Professor King received an appointment letter from the Company for his appointment as an Independent Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Professor King received a director's fee of HK\$240,000 for being a director of the Company and a member of each of the Audit Committee, Remuneration Committee and Nomination Committee of the Board. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Wong Kai-man (Age: 71)

Mr. Wong has been an Independent Non-Executive Director of the Company since 16 January 2007. He is also the Chairman of the Audit Committee and a member of each of the Remuneration Committee and Nomination Committee of the Board. Mr. Wong obtained his Bachelor of Science from The University of Hong Kong and Master of Business Administration from The Chinese University of Hong Kong. He is a fellow of the Association of Chartered Certified Accountants, United Kingdom and a fellow of the Hong Kong Institute of Certified Public Accountants. Mr. Wong is an accountant with 32 years of experience in audit, initial public offering and computer audit.

Mr. Wong is an independent non-executive director of VTech Holdings Limited. He has served in a number of government committees and the boards of certain non-governmental organisations. Mr. Wong was a non-executive director of the Securities and Futures Commission (May 2009 – May 2015) and an independent non-executive director of Great Wall Pan Asia Holdings Limited (formerly known as Armada Holdings Limited and SCMP Group Limited) (April 2007 – November 2016). He is currently a director of Victor and William Fung Foundation Limited. He was an honorary associate professor of the School of Business of The University of Hong Kong (2005 – January 2018) and a member of the Growth Enterprise Market Listing Committee of The Stock Exchange of Hong Kong Limited (1999 – 2003) and the Financial Reporting Council (FRC) (December 2014 – September 2021). Mr. Wong was an audit partner of PricewaterhouseCoopers, Hong Kong before his retirement on 30 June 2005.

Directors' Profile

Mr. Wong was appointed as a Justice of the Peace in 2002, and was awarded Bronze Bauhinia Star in 2007 by the Government of Hong Kong. He was conferred honorary fellowships of Lingnan University, Hong Kong in 2007, City University of Hong Kong in 2013 and The University of Hong Kong in 2016 respectively.

Save as disclosed above, Mr. Wong (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Mr. Wong. Mr. Wong received an appointment letter from the Company for his appointment as an Independent Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Wong received a director's fee of HK\$240,000 for being a director of the Company and a member of each of the Audit Committee, Remuneration Committee and Nomination Committee of the Board. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Lee Wai-kwong, Sunny (Age: 62)

Mr. Lee has been an Independent Non-Executive Director of the Company since 1 November 2013. He holds a Bachelor's Degree and Master's Degree in Operations Research & Industrial Engineering, both from Cornell University in the USA. Mr. Lee is a Distinguished Fellow of Hong Kong Computer Society and Fellow of Hong Kong Institute of Engineers.

Mr. Lee is the Vice-President (Administration) of City University of Hong Kong. He has more than 30 years of experience in business and technology management gained in both Hong Kong and overseas. Mr. Lee was the executive director of information technology ("IT") of The Hong Kong Jockey Club ("HKJC"), where he served as member of board of management and had overall responsibility for HKJC's IT strategy and innovation.

Prior to joining HKJC, Mr. Lee served at The Hong Kong and China Gas Company Limited (Towngas) where he was an executive committee member and held a number of key positions thereat, including chief information officer of the group and chief executive officer of two strategic diversification businesses, iCare.com Limited and Towngas Telecommunications Company Limited.

During the early 1990's, Mr. Lee was vice president and systems director of the Bank of America in Hong Kong, where he played a key role in building up IT capabilities to support the bank's business expansion in Asia. He has also held key IT positions in the financial, management consulting and manufacturing industries in the USA.

Mr. Lee takes time to serve in many high level governing and advisory committees in the academic, professional and community arena. He is the board chairman of Hong Kong Applied Science and Technology Research Institute Company Limited (ASTRI) and a council member of Hong Kong Management Association. Mr. Lee is also a past president of Hong Kong Computer Society, a past chairman of the Hong Kong Institute of IT Professional Certification, a past council member of Vocational Training Council, a past audit committee member of Hong Kong Housing Society and a past board chairman of Hong Kong Education City.

Mr. Lee was a recipient of Hong Kong's Ten Outstanding Young Digi Persons Award in 1999, Asia CIO Award in 2002 and 2007, China Top CIO Award in 2007, 2009 Asian IT Influencer recognition, 2009 China Best Value CIO Award, and 2011 Hong Kong CIO Outstanding Achievement Award. He was appointed a Justice of the Peace in 2010 and was a torchbearer of the 2008 Beijing Olympics, representing Hong Kong's IT achievers.

Directors' Profile

Save as disclosed above, Mr. Lee (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Mr. Lee. Mr. Lee received an appointment letter from the Company for his appointment as an Independent Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. For the financial year ended 30 June 2021, Mr. Lee received a director's fee of HK\$150,000 for being a director of the Company. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Cheng Ka-lai, Lily (Age: 43)

Ms. Cheng has been an Independent Non-Executive Director of the Company since 31 October 2019. She is a member of the Corporate Governance Committee of the Board with effect from 18 January 2021. Ms. Cheng has served in the technology and internet industry for over 20 years both as an entrepreneur and as a corporate executive. Ms. Cheng previously served as the president, Asia Pacific at TripAdvisor, Inc. until 2016 and held a number of executive roles at Expedia and TripAdvisor across London, Singapore, Beijing and Hong Kong between 2008 to 2016. Prior to Expedia, she worked for the Boston Consulting Group in Greater China from 2006 to 2008. Currently, she is the founder and executive director of Hubel Labs Limited, a virtual R&D software lab focusing on AI-related applications.

Ms. Cheng is an independent non-executive director of Swire Properties Limited, Chow Tai Fook Jewellery Group Limited and Octopus Cards Limited. In addition, she is an advisor to the office of the president at Mars Inc., a board observer and advisor to HotelBeds Group and a non-executive member of the global council at Herbert Smith Freehills LLP.

Ms. Cheng holds a Bachelor of Arts degree in Engineering and a Master of Engineering degree from The University of Cambridge, and a Graduate Certificate in Artificial Intelligence from the Stanford Center for Professional Development.

Save as disclosed above, Ms. Cheng (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Ms. Cheng. Ms. Cheng received an appointment letter from the Company for her appointment as an Independent Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. Ms. Cheng is entitled to receive a director's fee of HK\$175,000 per annum (or a pro rata amount for the duration of her membership of the Corporate Governance Committee of the Board for an incomplete year) for being a director of the Company and a member of the Corporate Governance Committee of the Board. Her director's fee is fixed by the Board while her annual salary, if any, is determined by the Board from time to time with reference to her contribution in terms of time, effort and her expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

Directors' Profile

Leong Kwok-kuen, Lincoln (Age: 61)

Mr. Leong has been an Independent Non-Executive Director of the Company since 18 January 2021. He is a chartered accountant and has extensive experience in the accountancy and investment banking industries. Mr. Leong is an independent non-executive director and a member of the audit and risk management committee of Link Asset Management Limited (manager of Link Real Estate Investment Trust) and an independent non-executive director of Standard Chartered Bank (Hong Kong) Limited. He has been appointed as a non-executive director and the chairman of the audit committee of Hongkong Land Holdings Limited with effect from 4 March 2022. Mr. Leong was previously an executive director and the chief executive officer of MTR Corporation Limited and a non-executive director of Jardine Strategic Holdings Limited and Mandarin Oriental International Limited.

Mr. Leong is a board member, an executive committee member and a vice-patron of The Community Chest of Hong Kong and a member of the Supervisory Board of The Hong Kong Housing Society. He was the chairman of the Quality Assurance Council of the University Grants Committee.

Mr. Leong qualified as a chartered accountant in England in 1985 and in British Columbia, Canada in 1987. He is a chartered fellow of The Chartered Institute of Logistics and Transport in Hong Kong and holds a Bachelor of Arts degree (subsequently a Master of Arts degree) from the University of Cambridge in the United Kingdom.

Save as disclosed above, Mr. Leong (i) did not hold any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company and its subsidiaries; and (iii) does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) of the Company.

There is no service contract entered into between the Company and Mr. Leong. Mr. Leong received an appointment letter from the Company for his appointment as an Independent Non-Executive Director of the Company for a period not exceeding three years, subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the amended and restated articles of association of the Company. Mr. Leong is entitled to receive a director's fee of HK\$150,000 per annum (or a pro rata amount for the duration of his directorship for an incomplete year) for being a director of the Company. His director's fee is fixed by the Board while his annual salary, if any, is determined by the Board from time to time with reference to his contribution in terms of time, effort and his expertise and is reviewed on an annual basis, and the sum of discretionary bonus, if any, is determined by the Board at its absolute discretion having regard to the operating results of the Company, its subsidiaries and its associated companies from time to time and the performance of the Director.

SENIOR MANAGEMENT

The Executive Directors of the Company are also members of senior management of the Group.

Report on Review of Condensed Consolidated Financial Statements



TO THE BOARD OF DIRECTORS OF SUNEVISION HOLDINGS LTD.

新意網集團有限公司

INTRODUCTION

We have reviewed the condensed consolidated financial statements of SUNeVision Holdings Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 23 to 38, which comprise the consolidated statement of financial position as of 31 December 2021 and the related consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

22 February 2022

Consolidated Statement of Profit or Loss

For the six months ended 31 December 2021

	NOTES	Six months ended 31 December	
		2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Revenue	3	995,328	923,154
Cost of sales		(410,056)	(379,203)
Gross profit		585,272	543,951
Other income	4	1,085	3,699
Selling expenses		(16,473)	(14,548)
Administrative expenses		(65,772)	(62,624)
Profit from operations		504,112	470,478
Finance costs		(13,687)	(11,082)
Profit before taxation		490,425	459,396
Income tax expense	5	(80,087)	(70,735)
Profit for the period attributable to owners of the Company	6	410,338	388,661
Earnings per share based on profit attributable to owners of the Company (reported earnings per share)	8		
Basic (Remark (i))		10.11 cents	9.59 cents
Diluted (Remarks (i) and (ii))		10.10 cents	9.58 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 six months ended 31 December 2021 has been taken into account of 5,549,234 (2020: 3,852,937) potential ordinary shares in existence arising from certain share options granted.

Details of earnings per share calculation and the Company's share capital are set out in notes 8 and 17 respectively.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 31 December 2021

	Six months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Profit for the period	410,338	388,661
Other comprehensive expense for the period		
Item that may be reclassified subsequently to the consolidated statement of profit or loss:		
Exchange differences arising from translation of operations outside Hong Kong	(11)	(30)
	(11)	(30)
Total comprehensive income for the period	410,327	388,631
Total comprehensive income attributable to:		
Owners of the Company	410,044	387,585
Non-controlling interests	283	1,046
	410,327	388,631

Consolidated Statement of Financial Position

At 31 December 2021

	NOTES	31 December 2021 HK\$'000 (unaudited)	30 June 2021 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	9	16,141,585	15,694,200
Equity instrument at FVTOCI	10	3,710	3,710
		16,145,295	15,697,910
Current assets			
Inventories		6,798	5,264
Trade and other receivables	11	421,996	362,582
Contract assets	12	24,821	18,537
Bank balances and deposits		332,667	387,316
		786,282	773,699
Current liabilities			
Trade and other payables	13	906,467	926,533
Contract liabilities	14	81,829	74,279
Lease liabilities		10,910	2,099
Tax payables		111,552	142,039
Bank borrowings	15	1,997,333	–
		3,108,091	1,144,950
Net current liabilities		(2,321,809)	(371,251)
Total assets less current liabilities		13,823,486	15,326,659
Non-current liabilities			
Contract liabilities	14	11,795	19,310
Lease liabilities		5,581	2,450
Deferred tax liabilities		289,180	292,877
Bank borrowings	15	5,627,705	7,261,690
Shareholder's loan	16	3,800,000	3,300,000
		9,734,261	10,876,327
Net assets		4,089,225	4,450,332
Capital and reserves			
Share capital	17	233,834	233,767
Reserve arising from issuance of convertible notes	17	172,002	172,002
Other reserves		3,667,997	4,029,454
Equity attributable to owners of the Company		4,073,833	4,435,223
Non-controlling interests		15,392	15,109
Total equity		4,089,225	4,450,332

Consolidated Statement of Changes in Equity

For the six months ended 31 December 2021

	Attributable to owners of the Company								
	Share capital HK\$'000	Share premium HK\$'000	Reserve arising from issuance of convertible notes HK\$'000 (Note)	Share option reserve HK\$'000	Exchange reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 July 2021 (audited)	233,767	2,368,218	172,002	34,532	1,923	1,624,781	4,435,223	15,109	4,450,332
Profit for the period	-	-	-	-	-	410,338	410,338	-	410,338
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	-	(294)	-	(294)	283	(11)
Total comprehensive (expense) income for the period	-	-	-	-	(294)	410,338	410,044	283	410,327
Exercise of share options (note 17)	67	4,539	-	(948)	-	-	3,658	-	3,658
Recognition of equity-settled share-based payments	-	-	-	12,221	-	-	12,221	-	12,221
Final dividend and distribution paid (note 7)	-	-	-	-	-	(787,313)	(787,313)	-	(787,313)
At 31 December 2021 (unaudited)	233,834	2,372,757	172,002	45,805	1,629	1,247,806	4,073,833	15,392	4,089,225

	Attributable to owners of the Company								
	Share capital HK\$'000	Share premium HK\$'000	Reserve arising from issuance of convertible notes HK\$'000 (Note)	Share option reserve HK\$'000	Exchange reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
At 1 July 2020 (audited)	232,919	2,334,287	172,002	22,338	3,117	1,546,606	4,311,269	13,954	4,325,223
Profit for the period	-	-	-	-	-	388,661	388,661	-	388,661
Exchange differences arising from translation of operations outside Hong Kong	-	-	-	-	(1,076)	-	(1,076)	1,046	(30)
Total comprehensive (expense) income for the period	-	-	-	-	(1,076)	388,661	387,585	1,046	388,631
Exercise of share options (note 17)	602	19,548	-	(3,142)	-	-	17,008	-	17,008
Recognition of equity-settled share-based payments	-	-	-	8,174	-	-	8,174	-	8,174
Final dividend and distribution paid (note 7)	-	-	-	-	-	(709,552)	(709,552)	-	(709,552)
At 31 December 2020 (unaudited)	233,521	2,353,835	172,002	27,370	2,041	1,225,715	4,014,484	15,000	4,029,484

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 the 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. No Convertible Notes were exercised and converted into ordinary shares by noteholders during the six months ended 31 December 2021 and 2020. As a result, the Convertible Notes in the amount of HK\$172,001,633.30 (31 December 2020: HK\$172,001,633.30) remained outstanding as at 31 December 2021.

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 have the same right as the shareholders to receive dividend. The noteholders can exercise the conversion rights at any time 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 2021

	Six months ended 31 December	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
NET CASH GENERATED FROM OPERATING ACTIVITIES	582,256	574,631
NET CASH USED IN INVESTING ACTIVITIES	(618,196)	(1,255,295)
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(18,710)	581,888
NET DECREASE IN CASH AND CASH EQUIVALENTS	(54,650)	(98,776)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	387,316	401,951
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1	1
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, represented by bank balances and deposits	332,667	303,176

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

In preparing the condensed consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Group’s current liabilities exceeded its current assets by HK\$2,321,809,000 as at 31 December 2021. In the opinion of the directors of the Company, the Group has a number of sources of finance available to fund its operations, including internal resources, available unutilised banking facility or obtaining additional financing from financial institutions, taking into account the fair value of the Group’s assets which are not pledged. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values.

Other than changes in accounting policies resulting from application of the amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 31 December 2021 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 30 June 2021.

Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on or after 1 July 2021 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2
Amendment to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021

The application of the amendments to HKFRSs in the current period has had no material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

3. SEGMENT INFORMATION

Disaggregation of revenue

For the six months ended 31 December 2021

Segments	Data centre and IT facilities HK\$'000	ELV and IT systems HK\$'000	Total HK\$'000
Types of services recognised over time			
Income from data centre and information technology ("IT") facilities	934,615	–	934,615
Installation and maintenance fee of extra-low voltage ("ELV") and IT systems	–	60,713	60,713
Revenue from contract with customers	934,615	60,713	995,328

For the six months ended 31 December 2020

Segments	Data centre and IT facilities HK\$'000	ELV and IT systems HK\$'000	Total HK\$'000
Types of services recognised over time			
Income from data centre and IT facilities	855,917	–	855,917
Installation and maintenance fee of ELV and IT systems	–	67,237	67,237
Revenue from contract with customers	855,917	67,237	923,154

Segment revenue and results

Segment profit represents the profit earned by each segment without allocation of central administrative costs, directors' emoluments, interest income, finance costs 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:

- Data centre and IT facilities cover the provision of data centre, facilities management and value added services.
- ELV and IT systems comprise installation and maintenance services for the respective systems.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

3. SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

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 2021

	Data centre and IT facilities HK\$'000	ELV and IT systems HK\$'000	Elimination HK\$'000	Consolidated total HK\$'000
REVENUE				
External	934,615	60,713	–	995,328
Inter-segment	–	95	(95)	–
Total	934,615	60,808	(95)	995,328
RESULTS				
Segment results	523,201	15,949	–	539,150
Unallocated corporate expenses				(35,491)
Interest income				311
Investment income				142
Finance costs				(13,687)
Profit before taxation				490,425

For the six months ended 31 December 2020

	Data centre and IT facilities HK\$'000	ELV and IT systems HK\$'000	Elimination HK\$'000	Consolidated total HK\$'000
REVENUE				
External	855,917	67,237	–	923,154
Inter-segment	–	95	(95)	–
Total	855,917	67,332	(95)	923,154
RESULTS				
Segment results	478,820	20,068	–	498,888
Unallocated corporate expenses				(28,899)
Interest income				489
Finance costs				(11,082)
Profit before taxation				459,396

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 Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

4. OTHER INCOME

	Six months ended 31 December	
	2021 HK\$'000	2020 HK\$'000
Interest income	311	489
Investment income	142	–
Miscellaneous	632	3,210
	1,085	3,699

5. INCOME TAX EXPENSE

	Six months ended 31 December	
	2021 HK\$'000	2020 HK\$'000
Current tax		
– Hong Kong Profits Tax	83,783	30,018
Deferred tax (credit) charge	(3,696)	40,717
	80,087	70,735

Hong Kong Profits Tax is calculated at 16.5% (2020: 16.5%) on the estimated assessable profits for the period.

6. PROFIT FOR THE PERIOD

	Six months ended 31 December	
	2021 HK\$'000	2020 HK\$'000
Profit for the period has been arrived at after charging (crediting):		
Staff costs including directors' emoluments	112,554	92,033
Share-based payments	12,221	8,174
Retirement benefit scheme contributions	3,146	3,363
Total staff costs	127,921	103,570
Depreciation of property, plant and equipment	224,217	192,021
Interest on bank borrowings	30,220	29,763
Interest on shareholder's loan	51,838	52,709
Other finance costs	9,126	9,182
Less: amounts capitalised	(77,668)	(80,626)
	13,516	11,028
Interest on lease liabilities	171	54
Total finance costs	13,687	11,082

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

7. DIVIDENDS

During the period, a final dividend of HK19.40 cents per share in respect of the year ended 30 June 2021 (2020: a final dividend of HK17.50 cents per share in respect of the year ended 30 June 2020) was declared and paid to the owners and convertible noteholders of the Company. The aggregate amount of the final dividend declared and paid in the period amounted to HK\$787,313,000 (2020: HK\$709,552,000).

The board of directors does not recommend the payment of an interim dividend for the six months ended 31 December 2021 (2020: Nil).

8. EARNINGS PER SHARE

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:

	Six months ended 31 December	
	2021 HK\$'000	2020 HK\$'000
Earnings for the purposes of basic and diluted earnings per share	410,338	388,661

	2021		2020	
	Number of shares		Number of shares	
Weighted average number of ordinary shares for the purpose of basic earnings per share	4,058,073,356		4,052,198,030	
Effect of dilutive potential ordinary shares: Share options	5,549,234		3,852,937	
Weighted average number of ordinary shares for the purpose of diluted earnings per share	4,063,622,590		4,056,050,967	

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 17.

The computation of diluted earnings per share does not assume the exercise of certain Company's share options because the exercise price of those share options was higher than the average market price for shares for the six months ended 31 December 2021 and 2020. Save as the share options mentioned above, there were no other dilutive potential ordinary shares in existence during the six months ended 31 December 2021 and 2020.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

9. PROPERTY, PLANT AND EQUIPMENT

During the period, additions to property, plant and equipment including right-of-use assets amounted to approximately HK\$853,722,000 (2020: HK\$1,100,173,000) with construction cost adjustments to decrease the cost of plant and equipment by approximately HK\$181,576,000 (2020: Nil). HK\$618,640,000 (2020: HK\$1,255,881,000) was paid for the purchase of property, plant and equipment during the period.

During the period, the Group entered into a new lease agreement for data centre operation (2020: office usage) for 1 year and 9 months (2020: 3 years). The Group is required to make fixed monthly payments during the contract period. On lease commencement, the Group recognised HK\$15,206,000 (2020: HK\$3,157,000) of right-of-use asset and HK\$15,206,000 (2020: HK\$3,157,000) of lease liability.

10. EQUITY INSTRUMENT AT FVTOCI

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
Equity instrument at FVTOCI:		
Unlisted equity instrument	3,710	3,710
Carrying amount analysed for reporting purposes as:		
Non-current asset	3,710	3,710

11. TRADE AND OTHER RECEIVABLES

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
Trade receivables	238,989	179,608
Less: allowance for credit losses	(2,728)	(2,316)
	236,261	177,292
Unbilled revenue for use of data centre and IT facilities (note)	64,103	71,265
Other receivables, prepayments and deposits paid	121,632	114,025
	421,996	362,582

Note: It represents receivables from contracts with customers for the services provided but not billed. The amounts are unconditional and will be billed according to the billing arrangement agreed with the customers.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

11. TRADE AND OTHER RECEIVABLES (continued)

The Group allows an average credit period of 30 days to its trade customers. The following is an ageing analysis of trade receivables based on the invoice date, net of allowance for credit losses at the end of the reporting period:

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
0 – 60 days	192,559	146,741
61 – 90 days	12,105	7,025
> 90 days	31,597	23,526
	236,261	177,292

As at 31 December 2021, out of the past due balances, HK\$31,597,000 (30 June 2021: HK\$23,526,000) has been past due 90 days or more and is not considered as in default because those debtors are with continuous settlements during and subsequent to the reporting period and no default history noted.

12. CONTRACT ASSETS

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
Unbilled revenue for installation services	17,964	11,794
Retention receivables of installation services	6,857	6,743
Total contract assets	24,821	18,537

13. TRADE AND OTHER PAYABLES

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
Trade payables aged within 60 days	51,450	23,817
Trade payables aged over 60 days	848	481
Other payables and accruals (note)	727,507	758,804
Deposits received	126,662	143,431
	906,467	926,533

Note: Other payables and accruals include payables for property, plant and equipment of HK\$530,848,000 (30 June 2021: HK\$570,216,000).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

14. CONTRACT LIABILITIES

The carrying amounts of contract liabilities are as follows:

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
Current liabilities (release to the consolidated statement of profit or loss within one year)	81,829	74,279
Non-current liabilities	11,795	19,310
	93,624	93,589

During the six months ended 31 December 2021, revenue recognised in the current period relating to contract liabilities at the beginning of the period was HK\$38,936,000 (2020: HK\$46,875,000). The Group receives upfront lump sum payments from certain customers before the commencement of use of data centre and IT facilities and monthly fee in advances from certain customers at the beginning of each month. The upfront lump sum and advance payment result in contract liabilities being recognised.

15. BANK BORROWINGS

During the period, the Group obtained a new long term banking facility of HK\$3,000,000,000 (2020: Nil) and raised HK\$400,000,000 (2020: HK\$1,360,000,000) from its existing unutilised banking facilities to fund various new and existing data centre projects. As at 31 December 2021, the Group has available unutilised banking facility of HK\$2,600,000,000 (30 June 2021: Nil).

At 31 December 2021, the carrying amount of the Group's unsecured bank loans amounted to approximately HK\$7,625,038,000 (30 June 2021: HK\$7,261,690,000). All loans carry interest at the Hong Kong Interbank Offered Rate plus specific margins.

The carrying amounts of the unsecured bank loans are repayable:

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
Within one year	1,997,333	–
Within a period of more than one year but less than two years	2,294,455	4,287,940
Within a period of more than two years but less than five years	3,333,250	2,973,750
	7,625,038	7,261,690

16. SHAREHOLDER'S LOAN

On 28 December 2018, the Group and Sun Hung Kai Properties Limited and its subsidiaries, other than members of the Group ("SHKP Group") entered into a loan agreement pursuant to which the SHKP Group had agreed to make available unsecured term loan facility in an aggregate amount of HK\$3,800,000,000 to the Group for a term of 72 months at a fixed interest rate of 4% per annum. The fixed interest rate of 4% per annum was then amended to 3% per annum effective from 1 August 2020. During the period, the Group raised HK\$500,000,000 (2020: Nil) from such facility. At the end of the reporting period, HK\$3,800,000,000 (30 June 2021: HK\$3,300,000,000) had been drawn down from such facility which was used to fund various existing data centre projects and for working capital requirements.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

17. SHARE CAPITAL

	Number of ordinary shares	Amount HK\$'000
Ordinary shares of HK\$0.1 each		
Authorised:		
At 1 July 2021 and 31 December 2021	10,000,000,000	1,000,000
Issued and fully paid:		
At 1 July 2021	2,337,669,333	233,767
Exercise of share options (note (ii))	674,000	67
At 31 December 2021	2,338,343,333	233,834

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 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 2021, no Convertible Notes were exercised and converted into ordinary shares of the Company.

	Number of fully paid ordinary shares to be issued (issued) upon conversion	Amount HK\$'000
At 1 July 2021 and 31 December 2021	1,720,016,333	172,002

Upon conversion of all the outstanding Convertible Notes, the issued share capital of the Company would be 4,058,359,666 (30 June 2021: 4,057,685,666) 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 six months ended 31 December 2021, 674,000 (2020: 6,025,000) shares were issued upon exercise of share options.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

18. RELATED PARTY TRANSACTIONS

The significant transactions with related parties during the period are as follows:

(a) Transactions with the SHKP Group (other than members of the Group)

	Six months ended 31 December	
	2021 HK\$'000	2020 HK\$'000
Income from installation, operation and provision of cable networking	31,147	30,547
Income from maintenance and repair of network infrastructure and security systems	26,514	32,884
Income from data centre and IT facilities	1,726	1,903
Licence and management fee charge	174	173
Property management service fees paid	6,149	6,219
Cable networking installation charges	813	939
Maintenance and repair charges of network infrastructure and security system	1,810	2,142
Management fee charges	1,000	1,000
Insurance service charges paid	2,157	1,643
Construction work charges	406,791	17,457
Interest on shareholder's loan	51,838	52,709
Interest on lease liabilities	171	54
Other finance costs	375	504

(b) Transaction with a director

During the period, professional fees of HK\$322,000 (2020: HK\$358,000) 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

Fees, salaries and other benefits paid/payable by the Group to the key management during the period amounted to HK\$14,340,000 (2020: HK\$8,004,000).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 31 December 2021

19. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Certain Group's financial instruments are measured at fair value at the end of each reporting period. The level of the fair value hierarchy into which the fair value measurements are categorised (Level 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
Unlisted equity instrument (Level 3)	3,710	3,710

Fair value of the unlisted equity instrument has been determined by dividend discount model that is not based on observable market data.

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

There was no transfer of financial assets and financial liabilities between fair value hierarchy classifications during the six months ended 31 December 2021 and 2020.

20. CAPITAL COMMITMENTS

	31 December 2021 HK\$'000	30 June 2021 HK\$'000
Capital expenditure in respect of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	3,356,222	2,977,450

Other Information

DIVIDEND

The board of Directors (the "Board") does not recommend the payment of an interim dividend for the six months ended 31 December 2021 (2020: Nil).

DIRECTORS' INTERESTS

As at 31 December 2021, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as adopted by the Company, to be notified to the Company and the Stock Exchange, were as follows:

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

Name of Director	Number of shares held				Sub-total	Number of underlying shares held under equity derivatives	Total	% of shares in issue as at 31.12.2021
	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Corporate interests (interests of controlled corporation)	Other interests				
Kwok Ping-luen, Raymond	-	-	-	3,485,000 ¹	3,485,000	-	3,485,000	0.15
Fung Yuk-lun, Allen	4,000,000	-	-	-	4,000,000	4,000,000 ²	8,000,000	0.34
Tong Kwok-kong, Raymond	200,000	-	-	-	200,000	8,000,000 ²	8,200,000	0.35
Chan Man-yuen, Martin	12,000	-	-	-	12,000	4,290,000 ²	4,302,000	0.18
Lau Yeuk-hung, Fiona	-	-	-	-	-	5,000,000 ²	5,000,000	0.21
Kwok Kai-wang, Christopher	-	-	-	13,272,658 ³	13,272,658	-	13,272,658	0.57
King Yeo-chi, Ambrose	1,000	-	-	-	1,000	-	1,000	0.00
Leong Kwok-kuen, Lincoln	-	-	142 ⁴	-	142	-	142	0.00

Notes:

- Messrs. Kwok Ping-luen, Raymond and Kwok Kai-wang, Christopher were deemed to be interested in 3,485,000 shares in the Company by virtue of them being beneficiaries of certain discretionary trusts for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated between them.
- These underlying shares of the Company held under equity derivatives represented the share options (being regarded for the time being as unlisted physically settled equity derivatives) granted by the Company under its share option scheme. Particulars of these share options and their movements during the six months ended 31 December 2021 are set out in the section headed "Share Option Scheme".
- Mr. Kwok Kai-wang, Christopher was also deemed to be interested in 9,787,658 shares in the Company by virtue of him being a beneficiary of a discretionary trust for the benefit of the sons of the late Mr. Kwok Ping-sheung, Walter, of Mr. Kwok Ping-kwong, Thomas and of Mr. Kwok Ping-luen, Raymond respectively for the purpose of Part XV of the SFO.
- These shares in the Company were held by a corporation wholly-owned and controlled by Mr. Leong Kwok-kuen, Lincoln.

Other Information

2. Long position in shares and underlying shares of associated corporations of the Company (a) Sun Hung Kai Properties Limited (“SHKP”)

Name of Director	Number of shares held				Sub-total	Number of underlying shares held under equity derivatives	Total	% of shares in issue as at 31.12.2021
	Personal interests (held as beneficial owner)	Family interests (interests of spouse or child under 18)	Corporate interests (interests of controlled corporation)	Other interests				
Kwok Ping-luen, Raymond	188,743	1,580,000 ¹	–	540,885,186 ²	542,653,929	–	542,653,929	18.73
Kwok Kai-wang, Christopher	110,000 ³	60,000 ¹	–	667,838,601 ^{2&4}	668,008,601	–	668,008,601	23.05
David Norman Prince	2,000	–	–	–	2,000	–	2,000	0.00
Siu Hon-wah, Thomas	–	–	–	7,000 ⁵	7,000	–	7,000	0.00
Chan Hong-ki, Robert	70,000	–	–	–	70,000	–	70,000	0.00
Leong Kwok-kuen, Lincoln	244,154	6,000 ¹	231,111 ⁶	–	481,265	–	481,265	0.02

Notes:

- These shares in SHKP were held by the spouse of the Director concerned.
- Messrs. Kwok Ping-luen, Raymond and Kwok Kai-wang, Christopher were deemed to be interested in 540,885,186 shares in SHKP by virtue of them being beneficiaries of certain discretionary trusts for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated between them.
- These shares in SHKP were held jointly with the spouse of Mr. Kwok Kai-wang, Christopher.
- Mr. Kwok Kai-wang, Christopher was also deemed to be interested in 126,953,415 shares in SHKP by virtue of him being a beneficiary of a discretionary trust for the benefit of the sons of the late Mr. Kwok Ping-sheung, Walter, of Mr. Kwok Ping-kwong, Thomas and of Mr. Kwok Ping-luen, Raymond respectively for the purpose of Part XV of the SFO.
- These shares in SHKP were held jointly with the spouse of Mr. Siu Hon-wah, Thomas.
- Among these shares in SHKP, 203,111 shares were held by a corporation wholly-owned and controlled by Mr. Leong Kwok-kuen, Lincoln (“Mr. Leong”) and 28,000 shares were held by a corporation in which Mr. Leong was entitled to exercise or control the exercise of one-third or more of the voting power at its general meetings.

Other Information

(b) SmarTone Telecommunications Holdings Limited (“SmarTone”)

Name of Director	Number of shares held			Number of underlying shares held under equity derivatives	Total	% of shares in issue as at 31.12.2021
	Personal interests (held as beneficial owner)	Other interests	Sub-total			
Kwok Ping-luen, Raymond	–	5,162,337 ¹	5,162,337	–	5,162,337	0.46
Fung Yuk-lun, Allen	437,359	–	437,359	–	437,359	0.04
Kwok Kai-wang, Christopher	–	12,011,498 ^{1&2}	12,011,498	–	12,011,498	1.08

Notes:

- Messrs. Kwok Ping-luen, Raymond and Kwok Kai-wang, Christopher were deemed to be interested in 5,162,337 shares in SmarTone by virtue of them being beneficiaries of a discretionary trust for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated between them.
- Mr. Kwok Kai-wang, Christopher was also deemed to be interested in 6,849,161 shares in SmarTone by virtue of him being a beneficiary of a discretionary trust for the benefit of the sons of the late Mr. Kwok Ping-sheung, Walter, of Mr. Kwok Ping-kwong, Thomas and of Mr. Kwok Ping-luen, Raymond respectively for the purpose of Part XV of the SFO.

(c) Each of Messrs. Kwok Ping-luen, Raymond and Kwok Kai-wang, Christopher had the following interests in shares of the following associated corporations of the Company:

Name of associated corporation	Actual shares held through corporation	Actual % of interests in issued shares as at 31.12.2021
Splendid Kai Limited	2,500 ¹	25.00
Hung Carom Company Limited	25 ¹	25.00
Tinyau Company Limited	1 ¹	50.00
Open Step Limited	8 ¹	80.00
Vivid Synergy Limited	963,536,900 ¹	20.00

Note:

- Messrs. Kwok Ping-luen, Raymond and Kwok Kai-wang, Christopher were deemed to be interested in these shares by virtue of them being beneficiaries of certain discretionary trusts for the purpose of Part XV of the SFO. Such shares represented the same interests and were therefore duplicated between them.

Save as disclosed above, as at 31 December 2021, none of the Directors or chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Other Information

SHARE OPTION SCHEME

By an ordinary resolution of the Company passed at its annual general meeting held on 1 November 2012, the Company adopted a share option scheme, which became effective on 15 November 2012 following the passing of an ordinary resolution approving the same by the then shareholders of SHKP at its annual general meeting held on 15 November 2012 (the "2012 Scheme").

During the six months ended 31 December 2021, no share options have been granted under the 2012 Scheme. Particulars of the outstanding share options granted under the 2012 Scheme and their movements during the six months ended 31 December 2021 were as follows:

Grantees	Date of grant	Exercise price per share	Exercise period ¹	Number of share options				Closing price per share	
				Balance as at 01.07.2021	Granted during the period	Exercised during the period	Cancelled/Lapsed during the period		Balance as at 31.12.2021
		HK\$						HK\$	
(i) Directors									
Fung Yuk-lun, Allen	22.05.2019	6.688	22.05.2020 to 21.05.2024	4,000,000	-	-	-	4,000,000	N/A
Tong Kwok-kong, Raymond	19.06.2018	5.048	19.06.2019 to 18.06.2023	4,000,000	-	-	-	4,000,000	N/A
	05.05.2021	7.982	05.05.2022 to 04.05.2026	4,000,000	-	-	-	4,000,000	N/A
Chan Man-yuen, Martin	22.05.2019	6.688	22.05.2020 to 21.05.2024	1,790,000	-	-	-	1,790,000	N/A
	05.05.2021	7.982	05.05.2022 to 04.05.2026	2,500,000	-	-	-	2,500,000	N/A
Lau Yeuk-hung, Fiona	19.06.2018	5.048	19.06.2019 to 18.06.2023	1,500,000	-	-	-	1,500,000	N/A
	22.05.2019	6.688	22.05.2020 to 21.05.2024	1,000,000	-	-	-	1,000,000	N/A
	05.05.2021	7.982	05.05.2022 to 04.05.2026	2,500,000	-	-	-	2,500,000	N/A
(ii) Other employees									
	19.06.2018	5.048	19.06.2019 to 18.06.2023	970,000	-	(40,000)	-	930,000	7.95 ²
	22.05.2019	6.688	22.05.2020 to 21.05.2024	3,017,000	-	(30,000)	(180,000)	2,807,000	7.18 ²
	17.06.2020	5.39	17.06.2021 to 16.06.2025	10,030,000	-	(544,000)	(840,000)	8,646,000	7.76 ²
	17.06.2020	5.39	01.07.2021 to 16.06.2025	500,000	-	-	-	500,000	N/A
	17.06.2020	5.39	02.09.2021 to 16.06.2025	600,000	-	-	-	600,000	N/A
	05.05.2021	7.982	05.05.2022 to 04.05.2026	4,370,000	-	-	(150,000)	4,220,000	N/A
	05.05.2021	7.982	15.07.2022 to 04.05.2026	400,000	-	-	-	400,000	N/A
(iii) Other participants									
	17.06.2020	5.39	17.06.2021 to 16.06.2025	200,000	-	(60,000)	(140,000)	-	7.00 ²
	05.05.2021	7.982	05.05.2022 to 04.05.2026	400,000	-	-	(400,000)	-	N/A
	05.05.2021	7.982	05.10.2022 to 04.05.2026	800,000	-	-	-	800,000	N/A
Total				42,577,000	-	(674,000)	(1,710,000)	40,193,000	

Other Information

Notes:

1. The share options of the Company can be exercised up to 30% of the grant from the first anniversary of the date of grant, up to 60% of the grant from the second anniversary of the date of grant, and in whole or in part of the grant from the third anniversary of the date of grant (except that for the exercise period of the share options granted to certain employees of the Group and/or other participants on 17 June 2020 and 5 May 2021 respectively, such share options can be exercised up to 30% of the grant from the first anniversary of the date of completion of one year's employment or secondment of the respective employees or participants ("Date of Completion"), up to 60% of the grant from the second anniversary of the Date of Completion, and in whole or in part of the grant from the third anniversary of the Date of Completion).
2. This represented the weighted average closing price of the shares of the Company immediately before the dates on which the share options were exercised.

Save as disclosed above, there were no outstanding share options granted under the 2012 Scheme during the six months ended 31 December 2021.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Other than the share option scheme as mentioned above, at no time during the six months ended 31 December 2021 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

As at 31 December 2021, the interests or short positions of the persons, other than Directors or chief executive of the Company, in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, were as follows:

Name	Number of shares held	Number of underlying shares held under equity derivatives	Total	% of shares in issue as at 31.12.2021
Sunco Resources Limited ("Sunco") ¹	1,719,427,500	1,719,427,500 ²	3,438,855,000	147.06
SHKP ³	1,719,427,500	1,719,427,500 ²	3,438,855,000	147.06
HSBC Trustee (C.I.) Limited ("HSBCCI") ⁴	1,721,567,500	1,719,427,500 ²	3,440,995,000	147.16

Notes:

1. Sunco is the beneficial owner of the 1,719,427,500 shares of the Company and the derivative interests referred to in Note 2 below.
2. These represented the interests in the underlying shares of the Company in respect of the convertible notes (which are unlisted, non-transferable, irredeemable and physically settled equity derivatives) in the amount of HK\$171,942,750 convertible into 1,719,427,500 shares of the Company at the conversion price of HK\$0.10 per share (subject to adjustment in accordance with the deed poll constituting the convertible notes dated 25 November 2010) upon the exercise of the conversion rights attached to the convertible notes.
3. As Sunco is a wholly-owned subsidiary of SHKP, SHKP is deemed to have interest in the 3,438,855,000 shares of the Company (including 1,719,427,500 underlying shares referred to in Note 2 above) held by Sunco for the purpose of Part XV of the SFO.
4. As HSBCCI is entitled to control the exercise of one-third or more of the voting power at general meetings of SHKP, HSBCCI is deemed to have interest in the 3,438,855,000 shares of the Company (including 1,719,427,500 underlying shares referred to in Note 2 above) held indirectly by SHKP for the purpose of Part XV of the SFO.

Save as disclosed above, as at 31 December 2021, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim results for the six months ended 31 December 2021 are unaudited, but have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants, by Messrs. Deloitte Touche Tohmatsu, whose report on review of condensed consolidated financial statements is set out on page 22 of this report.

Other Information

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 Listing Rules. The Audit Committee has reviewed this report and has provided advice and comments thereon.

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

During the six months ended 31 December 2021, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

SPECIFIC PERFORMANCE OBLIGATIONS ON CONTROLLING SHAREHOLDER

On 15 November 2021, Grandwide Development Limited (the "Borrower"), a wholly-owned subsidiary of the Company, as borrower and the Company as guarantor signed a committed facility letter (the "Facility Letter") with Bank of China (Hong Kong) Limited (the "Bank") as lender whereby the banking facilities of (i) a term loan up to HK\$1,500 million (the "Term Loan Facility") and (ii) a revolving loan up to HK\$1,500 million (the "Revolving Loan Facility") (collectively the "Facilities") were made available by the Bank to the Borrower subject to the terms and conditions of the Facility Letter. The amounts borrowed under the Term Loan Facility shall be repaid on the date falling five years from the date of the Facility Letter countersigned by the Borrower and the Company (the "Final Maturity Date"), while under the Revolving Loan Facility all amounts borrowed shall be repaid or reborrowed at the end of each interest period and all outstanding amounts shall be repaid in full on the Final Maturity Date.

Pursuant to the Facility Letter, the Borrower and the Company undertook to the Bank to ensure that:

- (a) SHKP would beneficially own (directly or indirectly) not less than 51% of the issued share capital of the Company; and
- (b) a comprehensive shareholder's loan facility amount (including both the total outstanding loan drawn and the undrawn committed available amount) of not less than HK\$3,800 million granted or to be granted by SHKP or any of its wholly-owned subsidiary(ies) to the Company or its wholly-owned subsidiary(ies) would be maintained.

A breach of either of the above undertakings will constitute an event of default, which will lead to the Bank being entitled not to make any further advances under the Facility Letter and to declare that all amounts outstanding under the Facilities (including interests accrued) shall immediately become due and payable.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code in Appendix 10 to the Listing Rules as the code of conduct for the Directors and the relevant employees who are likely to possess inside information of the Group in their dealings in the securities of the Company. Upon the Company's specific enquiry, each Director has confirmed that during the six months ended 31 December 2021, he/she has fully complied with the Model Code and there is no event of non-compliance.

CORPORATE GOVERNANCE CODE

Throughout the six months ended 31 December 2021, the Company has complied with the code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, except that the Chairman of the Board was unable to attend the annual general meeting of the Company held on 29 October 2021 due to other commitment.

On behalf of the Board

Kwok Ping-luen, Raymond

Chairman

Hong Kong, 22 February 2022

As at the date of this report, the Board comprises six Executive Directors, being Kwok Ping-luen, Raymond, Fung Yuk-lun, Allen, Tong Kwok-kong, Raymond, Tung Chi-ho, Eric, Chan Man-yuen, Martin and Lau Yeuk-hung, Fiona; five Non-Executive Directors, being Cheung Wing-yui, Kwok Kai-wang, Christopher, David Norman Prince, Siu Hon-wah, Thomas and Chan Hong-ki, Robert; and six Independent Non-Executive Directors, being Li On-kwok, Victor, King Yeo-chi, Ambrose, Wong Kai-man, Lee Wai-king, Sunny, Cheng Ka-lai, Lily and Leong Kwok-ken, Lincoln.

SUNeVision Holdings Ltd.
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