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



SUNEVISION HOLDINGS LTD.

新意網集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8008)

CONNECTED TRANSACTION

BUILDING WORKS AND MANAGED SERVICES AGREEMENT

Reference is made to the announcement and circular of the Company dated 22 May 2015 and 15 June 2015 respectively, in which it was disclosed (among others) that on 22 May 2015, Wealth Up, a wholly-owned subsidiary of the Company, entered into the Building Contract with the Main Contractor, pursuant to which the Main Contractor agreed to carry out the Building Contract Works for the Project. The Building Contract constituted a major and connected transaction of the Company which was approved by the independent Shareholders at its general meeting held on 3 July 2015.

In addition to the above-mentioned Building Contract, Wealth Up entered into the Building Works and Managed Services Agreement (the “Agreement”) with the Main Contractor on 25 November 2016 in relation to the Works for the Project in order to meet the builder’s works requirement arising from the newly enhanced design of the Project with reference to the Building Contract for increasing capacities of the Project and addressing the latest demand requirements from the market. Pursuant to the Agreement, the Main Contractor has agreed to supply, construct and complete the Works for the Project at a Contract Sum of HK\$124,380,000 (subject to adjustments).

As at the date of this announcement, the Main Contractor is a wholly-owned subsidiary of SHKP, which in turn is the controlling shareholder of the Company. Accordingly, the Main Contractor is an associate of SHKP and a connected person of the Company under Chapter 20 of the GEM Listing Rules. As one or more of the applicable percentage ratios in respect of the transactions contemplated under the Agreement calculated pursuant to Rule 19.07 of the GEM Listing Rules is more than 0.1% but all of the applicable percentage ratios are less than 5%, the entering into of the Agreement constitutes a connected transaction of the Company and is therefore subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Reference is made to the announcement and circular of the Company dated 22 May 2015 and 15 June 2015 respectively, in which it was disclosed (among others) that on 22 May 2015, Wealth Up, a wholly-owned subsidiary of the Company, entered into the Building Contract with the Main Contractor, pursuant to which the Main Contractor agreed to carry out the Building Contract Works for the Project. The Building Contract constituted a major and connected transaction of the Company which was approved by the independent Shareholders at its general meeting held on 3 July 2015.

MAJOR TERMS OF THE AGREEMENT

In order to meet the builder's works requirement arising from the newly enhanced design of the Project with reference to the Building Contract for increasing capacities of the Project and addressing the latest demand requirements from the market, Wealth Up entered into the Agreement with the Main Contractor on 25 November 2016, pursuant to which the Main Contractor has agreed to supply, construct and complete the Works for the Project. Major terms of the Agreement are summarised as follows:-

- Date** : 25 November 2016
- Parties** : Wealth Up; and
Sanfield Engineering Construction Limited (as the Main Contractor)
- Subject Matter** : The Main Contractor has agreed to supply, construct and complete the Works for the Project under and in accordance with the Building Contract and the Agreement.

Contract Sum : A lump sum of HK\$124,380,000 (subject to adjustments) will be payable by Wealth Up to the Main Contractor in respect of the supply, construction and completion of the Works by the Main Contractor. The lump sum will only be adjusted in the case of adjustments to provisional sums or for variations and any other adjustments provided for under the Agreement, in relation to any changes or additions to the scope of the Works such as variations to the design, quality or quantity of the Works, alteration of the kind or standard of materials or goods to be used for the Works, rectifications of the Works or any additional costs and expenses in relation to the foregoing. It is estimated that the final Contract Sum will not exceed 105% of the original Contract Sum (i.e. not exceeding approximately HK\$130,599,000, which is the sum of (i) HK\$124,380,000 (being the original Contract Sum); and (ii) HK\$6,219,000 (being the estimated maximum adjustment amount equivalent to 5% of the original Contract Sum)).

The Contract Sum (subject to adjustments) will be paid in cash and be funded by the Group's internal resources and/or bank financing.

Payment Terms : Wealth Up will make progress payments to the Main Contractor based on the estimated value of the Works properly executed and of the materials and goods delivered for use in the Works in accordance with the architect certificates with the relevant amounts stated (subject to the right on the part of Wealth Up to retain a certain sum therefrom which will not in general exceed 10% and the maximum aggregate amount of such retention shall not in general exceed 5% of the total Contract Sum) to be issued monthly by the independent architect for the Project during the course of the Project. Upon the Main Contractor's presentation of the architect certificates to Wealth Up, Wealth Up will verify and settle the relevant amounts within 45 days thereafter. One moiety of the total amounts retained as aforementioned shall be paid to the Main Contractor within 45 days after the Main Contractor's presentation to Wealth Up of the certificate of practical completion issued by the architect, while the remaining retention amount shall be paid to the Main Contractor within 45 days after the expiration of the defects liability period, or the issue of the certificate of completion of making good defects, or

the approval has been given by the architect for all specified guarantees and warranties required to be submitted by the Main Contractor or the nominated sub-contractors or suppliers, whichever is the later.

The Building Contract Works and the Works are currently expected to be completed in around early July 2017 (subject to any extension of time in accordance with the terms of the Agreement). If the Main Contractor fails to complete the Building Contract Works and the Works to the satisfaction of the architect of the Project on time in accordance with the Agreement, the Main Contractor shall pay to Wealth Up a sum calculated at the rate of HK\$168,000 per day as liquidated and ascertained damages. Save as otherwise provided for in the Agreement, the terms and conditions of the Building Contract, which was approved by the independent Shareholders at the general meeting of the Company held on 3 July 2015, shall be applied to the Agreement.

The Contract Sum was determined after arm's length negotiations between the Company and the Main Contractor and was based on normal commercial terms with reference to the expertise, experience and market position of the Main Contractor, and the complexity, design, quality and quantity of the Works.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT

As stated in the announcement and the circular of the Company dated 22 May 2015 and 15 June 2015 respectively, the Project is a substantial investment of the Group requiring technical expertise in the areas of construction, mechanical and electrical engineering, as well as information and communications technology. The principal activities of the SHKP Group are the development of and investment in properties for sale and rent, hotel operation, telecommunications, transport infrastructure and logistics. The SHKP Group has substantial experience, competent expertise and a proven track record in property development and construction. The principal activity of the Main Contractor is building construction, and the Main Contractor also has substantial experience, competent expertise and a proven track record in building construction. The Group has already entered into the Building Contract with the Main Contractor for the Main Contractor to carry out the Building Contract Works for the Project. It is in the interest of the Group to continue to leverage on the expertise of the SHKP Group and the Main Contractor, and to appoint the Main Contractor to supply, construct and complete the Works for the Project. This will ensure better coordination and more efficient execution of the Building Contract Works and the Works and at the same time avoid any unnecessary inconvenience or delay and any extra costs, expenses, time and resources which will otherwise be involved if a different contractor is to be engaged to carry out the Works.

The Board (including the independent non-executive Directors) considers that the Agreement is on normal commercial terms and that while the entering into of the Agreement may not be in the ordinary and usual course of business of the Group, the terms of the Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As at the date of this announcement, the Main Contractor is a wholly-owned subsidiary of SHKP, which in turn is the controlling shareholder of the Company. Accordingly, the Main Contractor is an associate of SHKP and a connected person of the Company under Chapter 20 of the GEM Listing Rules. As one or more of the applicable percentage ratios in respect of the transactions contemplated under the Agreement calculated pursuant to Rule 19.07 of the GEM Listing Rules is more than 0.1% but all of the applicable percentage ratios are less than 5%, the entering into of the Agreement constitutes a connected transaction of the Company and is therefore subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Given that Messrs. Kwok Ping-luen, Raymond, Tung Chi-ho, Eric and Fung Yuk-lun, Allen are directors of both the Company and SHKP, they are regarded as materially interested in the Agreement and the transactions contemplated thereunder, and they had therefore abstained from voting on the board resolutions of the Company to approve the Agreement and the transactions contemplated thereunder.

GENERAL INFORMATION

The principal activity of the Company is investment holding and the principal business activities of the Group include the provision of data centre, facilities management, web applications and value added services, installation and maintenance services and the renting of investment properties.

The principal activity of the Main Contractor is building construction.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:-

“Agreement”	the building works and managed services agreement entered into between Wealth Up and the Main Contractor on 25 November 2016 in relation to the Works for the Project
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Building Contract”	the building contract dated 22 May 2015 entered into between Wealth Up and the Main Contractor in relation to the Building Contract Works for the Project
“Building Contract Works”	the construction of a high-tier data centre consisting of two towers on the Land from pile cap upwards with an estimated maximum gross floor area of approximately 44,000 square metres and certain fitting-out works and all external works including coordination of the various nominated sub-contracting works that are tendered out separately
“Company”	SUNeVision Holdings Ltd. 新意網集團有限公司, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on GEM (Stock Code: 8008)
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Contract Sum”	a lump sum of HK\$124,380,000 (subject to adjustments) payable by Wealth Up to the Main Contractor in respect of the supply, construction and completion of the Works by the Main Contractor pursuant to the Agreement
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM (as may be amended from time to time)
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Land”	a piece of land located at Wan Po Road, Area 85, Tseung Kwan O, New Territories, Hong Kong and registered in the Land Registry as Tseung Kwan O Town Lot No. 122
“Main Contractor”	Sanfield Engineering Construction Limited 新輝城建工程有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of SHKP
“Project”	the development comprising a high-tier data centre being constructed on the Land
“Shareholder(s)”	the holder(s) of the share(s) of the Company
“SHKP”	Sun Hung Kai Properties Limited 新鴻基地產發展有限公司, a company incorporated in Hong Kong with limited liability, the securities of which are listed on the Main Board of the Stock Exchange (Stock Code: 16), which is a controlling shareholder of the Company
“SHKP Group”	SHKP and its subsidiaries and associates from time to time, but excluding the Group
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wealth Up”	Wealth Up Development Limited 康高發展有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

“Works”

the builder’s works for the enhancement of the Project including but not limited to substructure works; all structural, architectural and mechanical and electrical installation works; builder’s works in connection with mechanical and electrical installation; and the coordination and attendance on works carried out by other contractors directly engaged by Wealth Up in relation to the Works

“%”

per cent

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

Hong Kong, 25 November 2016

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

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