THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Shun Ho Resources Holdings Limited**, you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

SHUN HO RESOURCES HOLDINGS LIMITED
(順豪資源集團有限公司)

(Incorporated in Hong Kong with limited liability)

(Stock Code: 253)

VERY SUBSTANTIAL DISPOSAL
DISPOSAL OF SUBSIDIARIES HOLDING INTEREST IN HOTEL

A letter from the board of directors of Shun Ho Resources Holdings Limited (the "Company") is set out on pages 4 to 9 of this circular.

A notice convening the extraordinary general meeting of the Company to be held at 3rd Floor, Ramada Hong Kong Hotel, 308 Des Voeux Road West, Hong Kong on 13 March 2014 at 10:30 a.m. is set out on pages 48 to 49 of this circular. Shareholders are advised to read the notice and to complete the accompanying form of proxy for use at the EGM in accordance with the instructions printed thereon and return the same to the share registrar of the Company, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event, not less than 48 hours before the time appointed for holding the EGM or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the EGM if they so wish.

26 February 2014

CONTENTS

In this circular, the following expressions have the following meanings, unless the context requires otherwise:

"Agreement"	the sale and purchase agreement entered into between Houston Venture as Vendor and Oceanic Leader Investments Limited as Purchaser on 20 December 2013
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors of the Company
"BVI"	the British Virgin Islands
"Company"	Shun Ho Resources Holdings Limited (順豪資源集團有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
"Completion"	the completion of the sale and purchase of the Sale Shares and Sale Loan pursuant to the terms and conditions of the Agreement
"Consideration"	the aggregate consideration payable by the Purchaser for the Sale Shares and Sale Loan under the Agreement
"Directors"	the director(s) of the Company
"Disposal"	the disposal of the Sale Shares and Sale Loan by the Vendor to the Purchaser
"EGM"	the extraordinary general meeting of the Company to be held at 3rd Floor, Ramada Hong Kong Hotel, 308 Des Voeux Road West, Hong Kong on 13 March 2013 at 10:30 a.m.
"Emperor Entertainment"	Emperor Entertainment Hotel Limited (英皇娛樂酒店有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (stock code: 296)
"Grand-Invest"	Grand-Invest & Development Company Limited, a company incorporated in Macau with limited liability, and legally and beneficially owned as to 70% by Himson Enterprises and 30% by Longham Investment as at the Latest Practicable Date

"Group"	the Company and its subsidiaries
"Himson Enterprises"	Himson Enterprises Limited, a company incorporated in BVI with limited liability, an indirect subsidiary of the Company as at the Latest Practicable Date
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hotel"	Best Western Hotel Taipa, Macau (澳門格蘭酒店)
"Houston Venture" or the "Vendor"	Houston Venture Limited, a company incorporated in BVI with limited liability, a indirect subsidiary of Magnificent Estates as at the Latest Practicable Date
"Independent Third Party(ies)"	an independent third party(ies) which is not connected with (within the meaning of the Listing Rules) any Directors, chief executive or substantial shareholders, of the Company or any of its subsidiaries and their respective associates
"Latest Practicable Date"	21 February 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"Longham Investment"	Longham Investment Limited, a company incorporated in BVI with limited liability, an indirect subsidiary of Magnificent Estates as at the Latest Practicable Date
"Macau"	The Macau Special Administrative Region of the PRC
"Magnificent Estates"	Magnificent Estates Limited (華大地產投資有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
"Magnificent Estates Group"	Magnificent Estates and its subsidiaries
"percentage ratios"	has the same meaning ascribed to it under the Listing Rules
"PRC"	The People's Republic of China, which for the purpose of this circular, excludes Hong Kong, Macau and Taiwan

"Purchaser"	Oceanic Leader Investments Limited, a company incorporated in BVI with limited liability and an Independent Third Party
"Remaining Group"	the Group immediately after the Disposal
"Sale Loan"	the shareholder's loan owed by Himson Enterprises and Longham Investment to the Vendor in the sum of HK$28,687,000 which is non-interest bearing
"Sale Shares"	the entire issued share capital of Himson Enterprises and Longham Investment
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	the share(s) of HK$0.50 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of Shares
"Shun Ho Resources Group"	The Company and its subsidiaries
"Shun Ho Technology"	Shun Ho Technology Holdings Limited (順豪科技控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
"Shun Ho Technology Group"	Shun Ho Technology and its subsidiaries
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Trillion Resources"	Trillion Resources Limited, a company incorporated in BVI with limited liability and controlled by Mr. William Cheng Kai Man who is the Chairman of the Board
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

SHUN HO RESOURCES HOLDINGS LIMITED
(順豪資源集團有限公司)

(Incorporated in Hong Kong with limited liability)
(Stock Code: 253)

Executive Directors:
Mr. William CHENG Kai Man *(Chairman)*
Mr. Albert HUI Wing Ho

Non-executive Directors:
Madam Mabel LUI FUNG Mei Yee

Independent Non-executive Directors:
Mr. Vincent KWOK Chi Sun
Mr. CHAN Kim Fai
Mr. HUI Kin Hing

Registered Office:
3rd Floor, Shun Ho Tower
24-30 Ice House Street
Central
Hong Kong

26 February 2014

To the Shareholders

Dear Sir or Madam,

VERY SUBSTANTIAL DISPOSAL
DISPOSAL OF SUBSIDIARIES HOLDING INTEREST IN HOTEL

1. INTRODUCTION

In the announcement dated 23 December 2013, the boards of directors of the Company, Magnificent Estates and Shun Ho Technology jointly announced that on 20 December 2013 (after trading hours), the Vendor, a wholly-owned subsidiary of Magnificent Estates entered into the Agreement with the Purchaser, an Independent Third Party for the disposal of the Sale Shares and the Sale Loan at an aggregate Consideration of HK$900,000,000.

Magnificent Estates, Shun Ho Technology and the Company are all listed on the Stock Exchange. As at the Latest Practicable Date, the Group controls approximately 52.49% of the total voting rights of Shun Ho Technology, Shun Ho Technology group in turn controls approximately 71.09% of Magnificent Estates. The Disposal constitutes a very substantial disposal for the Company under the Listing Rules. Pursuant to Rule 14.49 of the Listing Rules, the Disposal has to be made conditional on the approval of Shareholders at the EGM.

The Disposal also constitutes a very substantial disposal for Shun Ho Technology and a major transaction for Magnificent Estates under the Listing Rules.

The purpose of this circular is to provide you with further information of the Disposal and other information in compliance with the requirements of the Listing Rules and to give you notice of the EGM at which an ordinary resolution will be proposed to seek your approval of the Disposal.

2. THE DISPOSAL

The Agreement

Date: 20 December 2013, after trading hours

Parties:

(i) Houston Venture, as the Vendor, an indirect subsidiary of the Company

(ii) Oceanic Leader Investments Limited, as the Purchaser. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (a) the Purchaser is an investment holding company and its ultimate beneficial holding company is Emperor Entertainment; and (b) the Purchaser, Emperor Entertainment and its ultimate beneficial owner(s) are Independent Third Parties.

Assets to be disposed

The Sale Shares comprise the entire issued share capital of Himson Enterprises and Longham Investment. The Sale Loan in the sum of HK$28,687,000 is currently owed by Himson Enterprises and Longham Investment to the Vendor. Himson Enterprises and Longham Investment respectively hold 70% and 30% interests in Grand-Invest which in turn owns 100% interest in the Hotel.

Consideration

The aggregate Consideration for the Sale Shares and the Sale Loan is HK$900,000,000 payable in cash by the Purchaser as follow:

(i) an initial deposit in the sum of HK$180,000,000 has already been paid upon the signing of the Agreement; and

(ii) the remaining balance of HK$720,000,000 will be paid upon the Completion.

The Consideration was determined after arm's length negotiations between the parties to the Agreement taking into account the valuation of the Hotel and the prevailing market conditions in Macau. The Consideration of HK$900,000,000 represents the total value of the Sale Shares and the Sale Loan which reflect the valuation of the Hotel together with the operational assets offered by the Purchaser.

Completion

The Completion date shall be the later of the following:

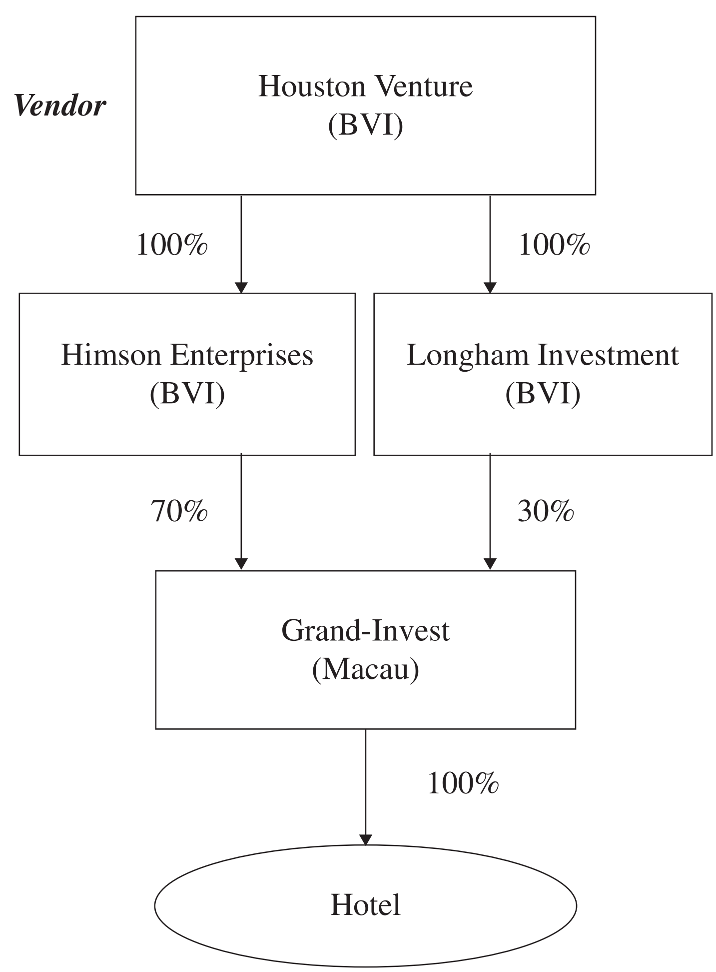
(a) 20 March 2014, being a business day which is 3 months after signing of the Agreement; or

(b) 5 business days after obtaining the approval of the shareholders of Shun Ho Technology and Shareholders at the EGM on the Disposal, the Agreement and the transactions contemplated thereunder,

provided that the Completion date shall in any event no later than 20 June 2014, being a business day which is 6 months after the signing of the Agreement.

Corporate structure

The following diagram illustrates the shareholding structure of Himson Enterprises and Longham Investment as at the Latest Practicable Date:



Note: Himson Enterprises, Longham Investment and Grand-Invest are investment holding companies holding interests in the Hotel.

The Hotel

The Hotel, namely Best Western Hotel Taipa, Macau (澳門格蘭酒店) is situated at Estrada Governador Nobre De Carvalho No. 822, Taipa, Macau. According to the valuation made by DTZ Debenham Tie Leung Limited, an independent professional valuer, the market value of the Hotel as at 31 December 2013 was HK$900,000,000. Please refer to Appendix V of this circular for the valuation report of the Hotel issued by DTZ Debenham Tie Leung Limited.

3. FINANCIAL EFFECTS OF THE DISPOSAL

Based on the Consideration of HK$900,000,000, the combined net assets of Himson Enterprises and Longham Investment at 31 December 2013 of approximately HK$239,843,000 and the Sale Loan in the sum of HK$28,687,000, and after taking into account of the estimated legal and professional fees of approximately HK$11,418,000, **the Vendor estimated that a gain of approximately HK$620,052,000 will be realized pursuant to the Disposal.**

The total assets and liabilities of the Group after Disposal will be reduced by approximately HK$290 million and HK$202 million respectively based on the audited consolidated statement of financial position of the Group as at 31 December 2013, as a result of which the net assets of the Group after the Disposal will be decreased. However, the net assets of the Group will be increased after receiving the sale proceeds from the Purchaser upon the completion.

Upon Completion, the Company will no longer hold any interest in Himson Enterprises and Longham Investment which will cease to be subsidiaries of the Group.

4. REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is principally an investment holding company. Through its major subsidiaries, Shun Ho Technology and Magnificent Estates, the Group is principally engaged in property investment, property development and leasing, investment in and operation of hotels.

Shun Ho Technology is principally an investment holding company. Through its major subsidiary, Magnificent Estates, Shun Ho Technology is principally engaged in property investment, property development and leasing, investment in and operation of hotels.

Magnificent Estates Group is principally engaged in property investment, property development and leasing, investment in and operation of hotels.

Emperor Entertainment is principally engaged in hotel and hotel related operations.

The Board strategically plans to focus on the development and expansion of the hotel business of the Group in Hong Kong. The original purchase cost of the Hotel was HK$242,000,000 in 2005. The Consideration of HK$900,000,000 is higher than the original purchase costs by HK$658,000,000. The Board continues to be bullish with the hotel business in Hong Kong which benefits from the fast growth economy of the PRC, therefore the Board aims to significantly increase the Group's investment of hotel or commercial property developments in Hong Kong. The sale proceeds from the Disposal are intended to be used to further expand the business in development and investment of hotel and commercial properties in Hong Kong.

As at the Latest Practicable Date, the Group owns and operates the Ramada Hotel Kowloon, Ramada Hong Kong Hotel, Best Western Hotel Causeway Bay, Best Western Hotel Harbour View, Best Western Grand Hotel, the Hotel and Magnificent International Hotel, Shanghai with 2,085 rooms together with one new hotel under development in Sheung Wan which is expected to operate in 2014. The Hotel has a total of 262 rooms. Upon Completion and after the new hotel in Sheung Wan is operated, the Group plans to have a total of 2,037 hotel rooms. The Disposal would allow the Group to consolidate the resources to develop and expand hotel business in Hong Kong. Save as aforesaid, as at the Latest Practicable Date, the Company had not (as the case may be) entered into or concluded any agreement, arrangement, negotiation or understanding about acquisition of targets or in relation to expansion of hotel and commercial properties business in Hong Kong which is required to be disclosed pursuant to the Listing Rules.

5. FINANCIAL INFORMATION OF DISPOSED COMPANIES

Set out below are certain combined financial information of Himson Enterprises and Longham Investment for the financial years ended 31 December 2011, 31 December 2012 and 31 December 2013 prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended 31 December 2011	**For the year ended 31 December 2012**	**For the year ended 31 December 2013**
	HK$' million	*HK$' million*	*HK$' million*
Net profit before taxation	50	53	32
Net profit after taxation	44	47	29

As at 31 December 2013, the combined net assets of Himson Enterprises, Longham Investment (without taking into account the market value of the Hotel of HK$900 million) was approximately HK$239,843,000.

The financial statements in respect of each of Himson Enterprises and Longham Investment for the years ended 31 December 2011, 31 December 2012 and 31 December 2013 are respectively set out in Appendix II and Appendix III of this circular. Since Himson Enterprises controls the majority shareholding interest in Grand-Invest which in turn holds 100% interest in the Hotel, the results of the Hotel has been consolidated in the financial statements of Himson Enterprises in which 30% non-controlling interests are attributable to Longham Investment.

6. THE EGM

Set out on pages 48 to 49 of this circular is a notice convening the EGM to be held at 3rd Floor, Ramada Hong Kong Hotel, 308 Des Voeux Road West, Hong Kong on 13 March 2014 at 10:30 a.m. at which an ordinary resolution will be proposed and, if thought fit, passed to approve the Agreement and transactions contemplated thereunder by way of poll.

Any Shareholder with a material interest in the Disposal and his associates will abstain from voting on resolution approving the Disposal. As at the Latest Practicable Date, to the best knowledge of the Directors having made reasonable enquiries, no Shareholders are required to abstain from voting. All Shareholders will be entitled to vote on the resolution approving the Agreement and the transactions contemplated thereunder at the EGM.

A form of proxy for use by the Shareholders at the EGM is enclosed. Shareholders are advised to read the notice and to complete the accompanying form of proxy for use at the EGM in accordance with the instructions printed thereon and return the same to the share registrar of the Company, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event, not less than 48 hours before the time appointed for holding the EGM or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM if they so wish.

7. RECOMMENDATION

The Board considers that the Disposal is on normal commercial terms and the terms of the Agreement (including the Consideration) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders should vote in favour of the ordinary resolution which will be proposed at the EGM to approve the Agreement and the transactions contemplated thereunder. However, in any event, the Company has already obtained written confirmation from a Shareholder which controls more than 50% in the nominal value of the Shares and that it will exercise its voting rights so as to ensure that the resolution for approving the Disposal and the transactions contemplated thereunder will be duly passed.

8. ADDITIONAL INFORMATION

Your attention is drawn to the information set out in the appendices to this circular.

Yours faithfully,
By Order of the Board
Shun Ho Resources Holdings Limited

William CHENG Kai Man
Chairman

AUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE THREE YEARS ENDED 31 DECEMBER 2012 AND AUDITED FINAL RESULTS OF THE GROUP FOR THE YEAR ENDED 31 DECEMBER 2013

The audited consolidated financial statements of the Group (a) for the year ended 31 December 2012 are set out from page 19 to page 75 in the 2012 Annual Report of the Company, which was published on 24 April 2013; (b) for the year ended 31 December 2011 are set out from page 17 to page 69 in the 2011 Annual Report of the Company, which was published on 26 April 2012; and (c) for the year ended 31 December 2010 are set out from page 16 to page 69 in the 2010 Annual Report of the Company, which was published on 27 April 2011. The announcement in respect of the audited final results of the Group for the year ended 31 December 2013 was published on 19 February 2014.

The aforesaid Annual Reports and results announcement are available on the website of the Stock Exchange (http://www.hkex.com) and the website of the Company (http://www.shunho.com.hk). In particular, the web links of the Annual Reports are as follows:

2010 Annual Report

http://www.shunho.com.hk/shr/documents/ar/e_253_AR%202010_2011_0427.pdf

2011 Annual Report

http://www.shunho.com.hk/shr/documents/ar/e%20253SHR%20AR2011%202012%2004-26.pdf

2012 Annual Report

http://www.shunho.com.hk/shr/documents/ar/e%20253%20AR2012.pdf

INDEBTEDNESS

Bank and other borrowings

As at the close of business on 31 December 2013, being the latest practicable date for the purpose of preparing this statement of indebtedness prior to the printing of this circular, the Group had outstanding (i) loan from a shareholder of approximately HK$54 million and (ii) bank borrowings of approximately HK$676 million which was secured by (a) fixed charges on certain of the Group's assets, including investment properties, properties under development and property, plant and equipment with carrying amount of approximately HK$2,272 million, HK$263 million and HK$2,070 million respectively, (b) equity interests in and subordination of loans due from subsidiaries with an aggregate carrying amount of approximately HK$1,294 million and (c) assignment of the Group's rental and hotel revenue.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have outstanding at the close of business on 31 December, 2013 any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

WORKING CAPITAL

After taking into account the expected completion of the Disposal, the financial resources available to the Group including the net proceeds from the Disposal, the available banking facilities, the advances from shareholders and internal resources of the Group, the Directors are of the opinion that the Group will have sufficient working capital to satisfy its requirements for at least the next 12 months from the date of this circular, in the absence of unforeseeable circumstances.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash position

The Group had cash and bank balances of approximately HK$101 million, HK$181 million and HK$321 million as at 31 December 2011, 2012 and 2013 respectively.

Gearing ratio

The gearing ratio in term of overall debt including bank loans and shareholder's loan of HK$1,171 million against funds employed of the Remaining Group (i.e. excluding Himson Enterprises and Longham Investment) of HK$3,970 million as at 31 December 2011 was approximately 29%.

The gearing ratio was approximately 25% in term of overall debt including bank loans and shareholder's loan of HK$1,135 million against funds employed of the Remaining Group of HK$4,480 million as at 31 December 2012.

The gearing ratio was approximately 14% in term of overall debt including bank loans and shareholder's loan of HK$730 million against funds employed of the Remaining Group of HK$5,129 million as at 31 December 2013.

Borrowings

All the Remaining Group's bank loans are floating rate borrowings, which carry interests at Hong Kong Interbank Offered Rate ("HIBOR") plus a margin of approximately 1% for 2011, 2% for 2012 and 2% for 2013 per annum respectively. The bank loans are secured over certain of the Remaining Group's properties. Interest rates on the Remaining Group's bank loans are repriced according to the HIBOR monthly. Effective interest rate was 1.3% for 2011, 2.1% for 2012 and 2.1% for 2013 per annum respectively. The Remaining Group's bank borrowings were mainly denominated in Hong Kong dollars. No financial instruments were used by the Remaining Group for hedging purposes during three years from 2011 to 2013.

As at 31 December 2011, 2012 and 2013, the Remaining Group pledged assets to secure bank loan of approximately HK$5,652 million, HK$5,471 million and HK$5,899 million respectively.

The maturity profile of the bank loans are set out below:

	2011	2012	2013
	HK$'000	*HK$'000*	*HK$'000*
Secured bank loans	1,110,957	1,074,411	676,325
Carrying amounts of bank loans that contain a repayment on demand clause:			
Repayable within one year from the end of the reporting period shown under current liabilities	314,712	298,928	284,592
Not repayable within one year from the end of the reporting period shown under current liabilities	796,245	775,483	391,733
Amounts shown under current liabilities	1,110,957	1,074,411	676,325

There was no material effect of seasonality on the Remaining Group's borrowing requirements.

SEGMENTAL ANALYSIS

For the year ended 31 December 2011, 2012 and 2013, the Remaining Group's income was mostly derived from the aggregate of income from operation of hotels and properties rental income, which was analysed as follows:

	2011	2012	2013
	HK$'000	*HK$'000*	*HK$'000*
Income from operation of hotels	245,878	355,152	518,631
Properties rental income	92,127	97,342	102,306
Other income	15,714	16,739	20,714
Total	353,719	469,233	641,651

The hotel performance enhanced substantially because Best Western Hotel Harbour View commenced business in July 2012 and Best Western Grand Hotel commenced business in December 2012. The Group enjoyed the hotel income derived from their full year operation in 2013.

The properties rental income was derived from office buildings of Shun Ho Tower, 633 King's Road and shops from Ramada Hotel Kowloon, Ramada Hong Kong Hotel, Best Western Hotel Taipa, Macau and Best Western Grand Hotel. The growth over the three years from 2011 to 2013 was mainly derived from 633 King's Road which provided an annual rental income of HK$80 million (excluding rates and management fee).

Other income was mostly property management fee income.

DISPOSAL AND ACQUISITION OF MATERIAL SUBSIDIARIES AND ASSOCIATED COMPANIES

A subsidiary which held houses properties at Gold Coast, New Territories, Hong Kong was disposed for the aggregate consideration of HK$63 million and a gain of HK$40 million was attributable to 2013. Save as the aforesaid disposal and the Disposal of Himson Enterprises and Longham Investment, the Remaining Group did not acquire or dispose of any material subsidiaries and associated companies during three years from 2011 to 2013.

CONTINGENT LIABILITIES

As at 31 December 2011, 2012 and 2013, the Remaining Group had no significant contingent liabilities.

SIGNIFICANT INVESTMENT

Save as disclosed in the other paragraphs of this section, the Remaining Group did not hold any other significant investment as at three years ended 31 December 2011, 31 December 2012 and 31 December 2013 respectively.

EXCHANGE RISK

The Group's bank borrowings carry interest at floating rates and are mainly denominated in Hong Kong dollar. Accordingly, the exchange risk of the Group is minimal.

STAFF AND REMUNERATION POLICY

For the year ended 31 December 2011, 2012 and 2013, the numbers of the staff of the Remaining Group were 390, 650 and 660 respectively and the staff remuneration was HK$71,492,000, HK$83,709,000 and HK$146,421,000 respectively. The Remaining Group's remuneration policy is built on principle of equality, motivating, performance-oriented and market-competitive remuneration package to employees. Magnificent Estates, the subsidiary of the Company, adopted an employee share option scheme (the "Employee Share Option Scheme") for its employees at its extraordinary general meeting held on 14 November 2013. No option was granted under the Employee Share Option Scheme since the date of its adoption up to the Latest Practicable Date.

FINANCIAL AND TRADING PROSPECTS OF THE GROUP

For the year 2013, the investment properties of the Group such as Shun Ho Tower, 633 King's Road and shops in Ramada Hotel Kowloon, Ramada Hong Kong Hotel and new shops in Best Western Grand Hotel remained almost fully let. The average occupancy rate for each of the hotels of the Group in 2013 is set out below:

Name of Hotel	**Average Room Occupancy** *(%)*
Ramada Hotel Kowloon	98
Ramada Hong Kong Hotel	96
Best Western Hotel Causeway Bay	97
Best Western Hotel Harbour View	96
Best Western Grand Hotel	95
Best Western Hotel Taipa, Macau	97
Magnificent International Hotel, Shanghai	75

It is the intention of the Group to build a portfolio of 3-4 stars hotels with significant market shares in Hong Kong. Another new hotel is currently under development in Sheung Wan and is expected in operation in 2014. In 2014, it is envisaged that the hotel business would be improving due to the continuous increase of inbound tourists and devaluation of Hong Kong dollar against Renminbi. The leisure travelling continues to improve due to continuous increase of inbound tour from global interests in Asia and implementation of the CEPA and further relaxation of mainlanders to travel freely. The management of the hotels expects that the high occupancy of the hotels could be maintained in 2014 and could be enhanced in view of the increasing demand.

UNAUDITED FINANCIAL INFORMATION OF HIMSON ENTERPRISES LIMITED

Set out below are the unaudited consolidated statements of financial position of Himson Enterprises Limited and its subsidiary (collectively referred to as the "Disposal Group") as of 31 December 2011, 2012 and 2013 and the related unaudited consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the year ended 31 December 2011, 2012 and 2013 and explanatory notes (collectively referred to as the "Consolidated Financial information"), which have been prepared by the Directors in accordance with Rule 14.68(2)(a)(i)(A) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The auditor of the Company, Deloitte Touche Tohmatsu, has reviewed the Consolidated Financial Information of the Disposal Group 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.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR EACH OF THE YEAR ENDED 31 DECEMBER 2011, 2012 AND 2013

	2011	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*
Revenue	63,642	68,009	67,799
Cost of sales	(1,218)	(1,593)	(854)
Other service costs	(23,664)	(24,085)	(26,121)
Depreciation of property, plant and equipment and release of prepaid lease payments for land	(3,425)	(3,434)	(3,407)
Gross profit	35,335	38,897	37,417
Increase (decrease) in fair value of investment properties	14,100	14,000	(5,200)
Other income	949	927	896
Administrative expenses	(695)	(572)	(880)
Profit before taxation	49,689	53,252	32,233
Income tax expense	(5,813)	(5,842)	(3,271)
Profit and total comprehensive income for the year	43,876	47,410	28,962
Profit and total comprehensive income for the year attributable to:			
Owners of the Company	30,712	33,185	20,272
Non-controlling interests	13,164	14,225	8,690
	43,876	47,410	28,962

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2011, 2012 AND 2013

	2011	2012	2013
	HK$'000	*HK$'000*	*HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment	100,855	98,212	95,529
Prepaid lease payments for land	25,536	24,846	24,156
Investment properties	151,200	165,200	160,000
	277,591	288,258	279,685
CURRENT ASSETS			
Inventories	174	173	192
Prepaid lease payments for land	690	690	690
Trade and other receivables	5,486	6,019	4,525
Deposits and prepayments	351	726	358
Bank balances and cash	5,583	5,941	5,110
	12,284	13,549	10,875
CURRENT LIABILITIES			
Trade and other payables and accruals	4,648	5,075	4,051
Rental and other deposits received	1,833	1,446	1,258
Amount due to immediate holding company	105,009	66,922	28,495
Amount due to a fellow subsidiary	–	–	3,690
Tax liabilities	3,419	3,840	3,572
	114,909	77,283	41,066
NET CURRENT LIABILITIES	(102,625)	(63,734)	(30,191)
TOTAL ASSETS LESS CURRENT LIABILITIES	174,966	224,524	249,494
CAPITAL AND RESERVES			
Share capital	–	–	–
Reserves	103,436	136,621	156,893
Equity attributable to owners of the Company	103,436	136,621	156,893
Non-controlling interests	60,227	74,452	79,452
	163,663	211,073	236,345
NON-CURRENT LIABILITIES			
Rental deposits received	807	952	952
Deferred tax liabilities	10,496	12,499	12,197
	11,303	13,451	13,149
	174,966	224,524	249,494

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR EACH OF THE YEAR ENDED 31 DECEMBER 2011, 2012 AND 2013

	Attributable to owners of the Company					
	Share capital	Other reserve	Retained profits	Total	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 January 2011	–	(15,388)	88,112	72,724	47,063	119,787
Profit and total comprehensive income for the year	–	–	30,712	30,712	13,164	43,876
At 31 December 2011	–	(15,388)	118,824	103,436	60,227	163,663
Profit and total comprehensive income for the year	–	–	33,185	33,185	14,225	47,410
At 31 December 2012	–	(15,388)	152,009	136,621	74,452	211,073
Profit and total comprehensive income for the year	–	–	20,272	20,272	8,690	28,962
Dividend distributed to non-controlling interests	–	–	–	–	(3,690)	(3,690)
At 31 December 2013	–	(15,388)	172,281	156,893	79,452	236,345

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR EACH OF THE YEAR ENDED 31 DECEMBER 2011, 2012 AND 2013.

	2011	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*
OPERATING ACTIVITIES			
Profit before taxation	49,689	53,252	32,233
Adjustments for:			
(Increase) decrease in fair value of investment properties	(14,100)	(14,000)	5,200
Depreciation of property, plant and equipment and release of prepaid lease payments for land	3,425	3,434	3,407
Operating cash flows before movements in working capital	39,014	42,686	40,840
Decrease (increase) in inventories	23	1	(19)
(Increase) decrease in trade and other receivables	(1,767)	(533)	1,494
Decrease (increase) in deposits and prepayments	192	(375)	368
Increase (decrease) in trade and other payables and accruals	998	427	(1,024)
Increase (decrease) in rental and other deposits received	523	(242)	(188)
Cash generated from operations	38,983	41,964	41,471
Macau Profits Tax paid	(2,001)	(3,418)	(3,841)
NET CASH FROM OPERATING ACTIVITIES	36,982	38,546	37,630
CASH USED IN INVESTING ACTIVITY			
Additions of property, plant and equipment	(106)	(101)	(34)
FINANCING ACTIVITIES			
Advance from immediate holding company	107	45	38
Repayment to immediate holding company	(35,170)	(38,132)	(38,465)
NET CASH USED IN FINANCING ACTIVITIES	(35,063)	(38,087)	(38,427)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,813	358	(831)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	3,770	5,583	5,941
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash	5,583	5,941	5,110

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

FOR EACH OF THE YEAR ENDED 31 DECEMBER 2011, 2012 AND 2013

1. GENERAL

On 20 December 2013, a subsidiary of Shun Ho Resources Holdings Estates Limited (the "Company") entered into the sale and purchase agreement with Oceanic Leader Investments Limited, a company incorporated in the British Virgin Islands, for the disposal (the "Disposal") of entire equity interests in and the loans to Himson Enterprises Limited (and its subsidiary, collectively referred to as the "Disposal Group") and Longham Investment Limited. The Company is an intermediate holding company of the disposal group and is incorporated in Hong Kong, with its shares listed on The Stock Exchange of Hong Kong Limited.

The principal activity of the Disposal Group is the hotel investment and operations.

The consolidated financial information is presented in Hong Kong dollars, which is different from the functional currency of the companies comprising the Disposal Group, as the directors of the Company consider that Hong Kong dollars is the most appropriate presentation currency in view of its place of listing.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL INFORMATION

The consolidated financial information of the Disposal Group for each of the year ended 31 December 2011, 2012 and 2013 (collectively referred to as the "Consolidated Financial Information") has been prepared in accordance with paragraph 68(2)(a)(i) of Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and solely for the purposes of inclusion in the circular to be issued by the Company in connection with the Disposal.

The amounts included in the Consolidated Financial Information of the Disposal Group have been recognised and measured in accordance with the relevant accounting policies, which conform with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), adopted by the Company and its subsidiaries in the preparation of the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2013. The Consolidated Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in Hong Kong Accounting Standard (the "HKAS") 1 "Presentation of Financial Statements" nor an interim financial report as defined in HKAS 34 "Interim Financial Reporting" issued by the HKICPA. In addition, for the purpose of the preparation of the Consolidated Financial Information, the comparative financial information in respect of the year ended 31 December 2010 has not been presented.

In preparing the Consolidated Financial Information of the Disposal Group, the directors of Himson Enterprises Limited ("Himson Enterprises") have given consideration to the future liquidity of the Disposal Group in light of the fact that the Disposal Group's current liabilities exceeded its current assets by approximately HK$30,191,000 as of 31 December 2013. Magnificent Estates Limited, a subsidiary of the Company has agreed to provide the Disposal Group with financial support in meeting the Disposal Group's financial obligations as and when they fall due for the foreseeable future and this financial support will continue up to the effective date of the Disposal. The directors of Himson Enterprises also considered that new banking facilities can be obtained by pledge of the Disposal Group's investment properties and hotel properties. Accordingly, the directors of Himson Enterprises are satisfied that the Disposal Group will be able to meet in full its financial obligations as and when they fall due in the foreseeable future, and accordingly, the Consolidated Financial Information of the Disposal Group has been prepared on the going concern basis.

UNAUDITED FINANCIAL INFORMATION OF LONGHAM INVESTMENT LIMITED

Set out below are the unaudited consolidated statements of financial position of Longham Investment Limited and its subsidiary (collectively referred to as the "Disposal Group") as of 31 December 2011, 2012 and 2013 and the related unaudited consolidated statements of profit or loss and other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the year ended 31 December 2011, 2012 and 2013 and explanatory notes (collectively referred to as the "Consolidated Financial information"), which have been prepared by the Directors in accordance with Rule 14.68(2)(a)(i)(A) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The auditor of the Company, Deloitte Touche Tohmatsu, has reviewed the Consolidated Financial Information of the Disposal Group 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.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR EACH OF THE YEAR ENDED 31 DECEMBER 2011, 2012 AND 2013

	2011	**2012**	**2013**
	HK$'000	*HK$'000*	*HK$'000*
Increase in fair value of investment properties	2,034	2,300	2,870
Other income	–	720	980
Share of result of an associate	13,164	14,225	8,690
Administrative expenses	(55)	(63)	(52)
Profit before taxation	15,143	17,182	12,488
Income tax expense	–	(100)	(112)
Profit and total comprehensive income for the year	15,143	17,082	12,376

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2011, 2012 AND 2013

	2011	2012	2013
	HK$'000	*HK$'000*	*HK$'000*
NON-CURRENT ASSETS			
Interest in an associate	60,227	74,452	79,452
Investment properties	37,420	39,720	–
	97,647	114,172	79,452
CURRENT ASSETS			
Amount due from an associate	–	–	3,690
Deposits and prepayments	15	16	–
Bank balance	1	–	–
	16	16	3,690
CURRENT LIABILITIES			
Accruals	276	292	–
Amount due to intermediate holding company	33,770	33,092	–
Amount due to immediate holding company	133	138	192
	34,179	33,522	192
NET CURRENT (LIABILITIES) ASSETS	(34,163)	(33,506)	3,498
TOTAL ASSETS LESS CURRENT LIABILITIES	63,484	80,666	82,950
CAPITAL AND RESERVES			
Share capital	–	–	–
Reserves	63,484	80,566	82,950
	63,484	80,566	82,950
NON-CURRENT LIABILITY			
Deferred tax liabilities	–	100	–
	63,484	80,666	82,950

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR EACH OF THE YEAR ENDED 31 DECEMBER 2011, 2012 AND 2013

	Share capital	Other reserve	Retained profits	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 1 January 2011	–	15,388	32,953	48,341
Profit and total comprehensive income for the year	–	–	15,143	15,143
At 31 December 2011	–	15,388	48,096	63,484
Profit and total comprehensive income for the year	–	–	17,082	17,082
At 31 December 2012	–	15,388	65,178	80,566
Profit and total comprehensive income for the year	–	–	12,376	12,376
Deemed distribution to the immediate holding company *(note)*	–	(9,992)	–	(9,992)
At 31 December 2013	–	5,396	77,554	82,950

Note: During the year ended 31 December 2013, Longham Investment Limited disposed of the entire interest in a subsidiary to its immediate holding company at a consideration with reference to the investment cost in that subsidiary amounted to approximately HK$69,000. The difference of approximately HK$9,992,000 between the consideration and carrying amounts of assets and liabilities of that subsidiary is recognised in other reserve as a deemed distribution to immediate holding company.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR EACH OF THE YEAR ENDED 31 DECEMBER 2011, 2012 AND 2013

	2011	2012	2013
	HK$'000	*HK$'000*	*HK$'000*
OPERATING ACTIVITIES			
Profit before taxation	15,143	17,182	–
Adjustments for:			
Share of result of an associate	(13,164)	(14,225)	–
Increase in fair value of investment properties	(2,034)	(2,300)	–
Operating cash flows before movements in working capital	(55)	657	–
Increase in deposits and prepayments	(1)	(1)	–
Increase in accruals	8	16	–
Increase (decrease) in amount due to an intermediate holding company	43	(678)	–
Increase in amount due to immediate holding company	5	5	–
NET CASH USED IN OPERATING ACTIVITIES	–	(1)	–
NET DECREASE IN CASH AND CASH EQUIVALENTS	–	(1)	–
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1	1	–
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, representing bank balance	1	–	–

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

FOR EACH OF THE YEAR ENDED 31 DECEMBER 2011, 2012 AND 2013

1. GENERAL

On 20 December 2013, a subsidiary of Shun Ho Resources Holdings Limited (the "Company") entered into the sale and purchase agreement with Oceanic Leader Investments Limited, a company incorporated in the British Virgin Islands, for the disposal (the "Disposal") of entire equity interests in and the loans to Longham Investment Limited and Himson Enterprises Limited. The Company is an intermediate holding company of Longham Investment Limited ("Longham Investment") and is incorporated in Hong Kong with its shares listed on The Stock Exchange of Hong Kong Limited.

The principal activity of the associate is the hotel investment and operations.

The consolidated financial information is presented in Hong Kong dollars, which is also the functional currency of Longham Investment.

No consolidated statement of cash flows is presented for the year ended 31 December 2013 as the Group does not have any cash transactions during the year ended 31 December 2013 and the bank account was closed during the year ended 31 December 2012.

2. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL INFORMATION

The consolidated financial information of the Longham Investment and its subsidiary (hereinafter collectively referred to as the "Disposal Group") for each of the year ended 31 December 2011, 2012 and 2013 (collectively referred to as the "Consolidated Financial Information") has been prepared in accordance with paragraph 68(2)(a)(i) of Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and solely for the purposes of inclusion in the circular to be issued by the Company in connection with the Disposal.

The amounts included in the Consolidated Financial Information of the Disposal Group have been recognised and measured in accordance with the relevant accounting policies, which conform with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), adopted by the Company and its subsidiaries in the preparation of the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2013. The Consolidated Financial Information does not contain sufficient information to constitute a complete set of financial statements as defined in Hong Kong Accounting Standard (the "HKAS") 1 "Presentation of Financial Statements" nor an interim financial report as defined in HKAS 34 "Interim Financial Reporting" issued by the HKICPA. In addition, for the purpose of the preparation of the Consolidated Financial Information, the comparative financial information in respect of the year ended 31 December 2010 has not been presented.

A PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

The pro forma financial information (the "Pro Forma Financial Information") presented below is prepared to illustrate (a) the financial position of the Remaining Group as if the Disposal has been completed on 31 December 2013; and (b) the results and cash flows of the Remaining Group for the year ended 31 December 2013 as if the Disposal had been completed on 1 January 2013. The Pro Forma Financial Information has been prepared for illustrative purpose only. Because of its hypothetical nature, it may not purport to present the true picture of the financial position of the Remaining Group as at 31 December 2013 or at any future date had the Disposal been completed on 31 December 2013 and the results and cash flows of the Remaining Group for the year ended 31 December 2013 or for any future period had the Disposal been completed on 1 January 2013.

The pro forma financial information is prepared based on the audited consolidated statement of financial position of the Group as at 31 December 2013, the audited consolidated statement of profit or loss and other comprehensive income and audited consolidated statement of cash flows of the Group for the year ended 31 December 2013 extracted from the consolidated financial statements of the Group for the year ended 31 December 2013, after giving effect to pro forma adjustments described in the notes and is prepared in accordance with Rules 4.29 and 14.68(2)(a)(ii) of the Listing Rules.

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2013

	The Group	Pro forma adjustments	Pro forma Remaining Group
	HK$'000	*HK$'000* *(Note 1)*	*HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment	2,562,374		2,562,374
Prepaid lease payments for land	35,014		35,014
Investment properties	3,064,000		3,064,000
Properties under development	263,276		263,276
Available-for-sale investments	780		780
	5,925,444		5,925,444
CURRENT ASSETS			
Inventories	826		826
Prepaid lease payments for land	922		922
Trade and other receivables	23,860		23,860
Other deposits and prepayments	12,532	(5,000)	7,532
Bank balances and cash	316,116	713,582	1,029,698
	354,256		1,062,838
Assets classified as held for sale	290,560	(290,560)	–
	644,816		1,062,838
CURRENT LIABILITIES			
Trade and other payables and accruals	32,518		32,518
Rental and other deposits received	18,804		18,804
Advance from ultimate holding company	54,222		54,222
Tax liabilities	18,499		18,499
Bank loans	676,325		676,325
	800,368		800,368
Liabilities associated with assets classified as held for sale	202,030	(202,030)	–
	1,002,398		800,368
NET CURRENT (LIABILITIES) ASSETS	(357,582)		262,470
TOTAL ASSETS LESS CURRENT LIABILITIES	5,567,862		6,187,914

	The Group *HK$'000*	Pro forma adjustments *HK$'000* *(Note 1)*	Pro forma Remaining Group *HK$'000*
CAPITAL AND RESERVES			
Share capital	152,184		152,184
Share premium and reserves	2,137,624	231,373	2,368,997
Equity attributable to owners of the Company	2,289,808		2,521,181
Non-controlling interests	3,108,405	388,679	3,497,084
	5,398,213		6,018,265
NON-CURRENT LIABILITIES			
Rental deposits received	25,762		25,762
Deferred tax liabilities	143,887		143,887
	169,649		169,649
	5,567,862		6,187,914

PRO FORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2013

	The Group	Pro forma adjustments		Pro forma Remaining Group
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
		(Note 2)	*(Note 3)*	
Revenue	688,736	(67,799)		620,937
Cost of sales	(4,435)	854		(3,581)
Other service costs	(227,552)	26,121		(201,431)
Depreciation of property, plant and equipment and release of prepaid lease payments for land	(70,741)	3,407		(67,334)
Gross profit	386,008			348,591
Increase in fair value of investment properties	299,213	5,200		304,413
Other income and gains	20,714	(896)		19,818
Gain on disposal of subsidiaries	40,140		610,592	650,732
Administrative expenses				
– Depreciation	(3,926)			(3,926)
– Others	(29,691)	886		(28,805)
	(33,617)	886		(32,731)
Other expenses	(14,973)			(14,973)
Finance costs	(18,098)			(18,098)
Profit before taxation	679,387			1,257,752
Income tax expense	(62,211)	3,271		(58,940)
Profit for the year	617,176			1,198,812

	The Group	Pro forma adjustments		Pro forma Remaining Group
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
		(Note 2)	*(Note 3)*	
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss				
Exchange differences arising on translation of foreign operations	2,043			2,043
Total comprehensive income for the year	619,219			1,200,855
Profit for the year attributable to:				
Owners of the Company	229,683	(10,805)	227,843	446,721
Non-controlling interests	387,493	(18,151)	382,749	752,091
	617,176			1,198,812
Total comprehensive income attributable to:				
Owners of the Company	230,445			447,483
Non-controlling interests	388,774			753,372
	619,219			1,200,855

PRO FORMA CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2013

	The Group	Pro forma adjustments		Pro forma Remaining Group
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
		(Note 4)	*(Note 5)*	
OPERATING ACTIVITIES				
Profit before taxation	679,387	(32,227)	610,592	1,257,752
Adjustments for:				
Interest income from bank deposits	(1,616)			(1,616)
Finance costs	18,098			18,098
Increase in fair value of investment properties	(299,213)	(5,200)		(304,413)
Gain on disposal of property, plant and equipment	(1,050)			(1,050)
Gain on disposal of subsidiaries	(40,140)		(610,592)	(650,732)
Depreciation of property, plant and equipment	73,054	(2,717)		70,337
Release of prepaid lease payments for land	1,613	(690)		923
Operating cash flows before movements in working capital	430,133			389,299
Increase in inventories	(55)	19		(36)
Decrease in trade and other receivables	2,197	(1,494)		703
Increase in other deposits and prepayments	(5,165)	(368)	5,000	(533)
Decrease in trade and other payables and accruals	(1,564)	1,018		(546)
Increase in rental and other deposits received	8,989	188		9,177
Cash generated from operations	434,535			398,064
Hong Kong Profits Tax paid	(38,118)			(38,118)
Income tax elsewhere paid	(4,390)	3,841		(549)
Interest from bank deposits received	1,616			1,616
NET CASH FROM OPERATING ACTIVITIES	393,643			361,013
INVESTING ACTIVITIES				
Deposit received from disposal of subsidiaries	180,000		(180,000)	–
Proceeds from disposal of subsidiaries, net of cash and cash equivalents	62,133		882,641	944,774
Expenditure on properties under development	(47,852)			(47,852)
Acquisition of property, plant and equipment	(5,393)	34		(5,359)
Proceeds from disposal of property, plant and equipment	1,081			1,081
Decrease in pledged bank deposits	110			110
NET CASH FROM INVESTING ACTIVITIES	190,079			892,754

	The Group	Pro forma adjustments		Pro forma Remaining Group
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
		(Note 4)	*(Note 5)*	
FINANCING ACTIVITIES				
Interest paid	(21,010)			(21,010)
Repayments of bank loans	(398,086)			(398,086)
Advance from ultimate holding company	44,356			44,356
Repayment to ultimate holding company	(51,360)			(51,360)
Dividend paid to non-controlling interests	(16,812)			(16,812)
NET CASH USED IN FINANCING ACTIVITIES	(442,912)			(442,912)
NET INCREASE IN CASH AND CASH EQUIVALENTS	140,810			810,855
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	180,663			180,663
Effect of foreign exchange rate changes	(247)			(247)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	321,226			991,271
Represented by:				
Bank balances and cash	316,116			991,271
Bank balances and cash classified as held for sale	5,110			–
	321,226			991,271

NOTES TO THE PRO FORMA FINANCIAL INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2013

1. The adjustments included the deconsolidation of the Disposal Group, the recognition of net cash inflows from the Disposal of HK$713,582,000 as determined by the unsettled cash consideration of HK$720,000,000 less the unsettled direct expenses of HK$6,418,000 as mentioned in note (c) below and recognition of the estimated gain arising from the disposal of the Disposal Group as if the Disposal has been completed on 31 December 2013:

	HK$'000
Cash consideration (note a)	900,000
Net assets of the Disposal Group (note b)	(239,843)
Sales of the Sale Loan (note a)	(28,687)
Estimated legal and professional fees directly attributed to the Disposal (note c)	(11,418)
Estimated gain on the Disposal	620,052
Attributable to:	
Owners of the Company	231,373
Non-controlling interests	388,679
	620,052

(a) In accordance to the sale and purchase agreement entered into between Houston Venture Limited, an indirect subsidiary of the Company, and Oceanic Leader Investments Limited, an independent third party of the Group, the Group proposed to dispose of its entire equity interest in Himson Enterprises Limited ("Himson Enterprises") and Longham Investment Limited ("Longham Investment"), together with the shareholder's loans owed by Himson Enterprises and Longham Investment to the Group (the "Sale Loan") at an aggregated consideration of HK$900,000,000 of which an amount of HK$180,000,000 was received by the Group during the year ended 31 December 2013 and had been included in the liabilities associated with assets classified as held for sale in the audited consolidated statement of financial position of the Group as at 31 December 2013. As at 31 December 2013, the carrying amount of the Sale Loan is approximately HK$28,687,000.

(b) As at 31 December 2013, the net assets of the Disposal Group is HK$239,843,000 based on the combined net assets of Himson Enterprises and its subsidiary of HK$236,345,000, and Longham Investment of HK$82,950,000 extracted from their respective financial information set out in Appendix II and Appendix III to this circular and the elimination of interest in an associate of Longham Investment (being a non-wholly owned subsidiary of Himson Enterprises) amounted to HK$79,452,000 against the non-controlling interests of Himson Enterprises.

(c) The estimated legal and professional fees directly attributed to the Disposal is approximately HK$11,418,000 of which HK$5,000,000 was prepaid during the year ended 31 December 2013 and had been included in other deposits and prepayments in the audited consolidated statement of financial position of the Group as at 31 December 2013.

Given the consideration including the sale of Sale Loan is fixed at HK$900,000,000, and the carrying amount of the Sale Loan is HK$28,687,000 as at 31 December 2013, the estimated gain of HK$620,052,000 has not taken into account further advances granted or repayments made between the Remaining Group and the Disposal Group subsequent to 31 December 2013, which would affect the final gain or loss upon the completion of the disposal.

The final gain on the Disposal may also be affected by the carrying amount of the assets and liabilities of the Disposal Group on the date of the disposal.

2. The adjustment is to exclude each line item of the Disposal Group that is incorporated in the consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2013 as if the Disposal had been taken place on 1 January 2013. The amounts are extracted from the respective financial information set out in Appendix II and Appendix III to this circular, and has excluded the results of a subsidiary disposed of during the year by Longham Investment to its immediate holding company of HK$3,692,000 which include the increase in fair value of investment properties of HK$2,870,000, other income of HK$980,000, administrative expenses of HK$46,000 and income tax expense of HK$112,000 and has adjusted the impact of share of result of an associate of Longham Investment.

3. The adjustments represented the recognition of estimated gain arising from the disposal of the Disposal Group as if the Disposal had been completed on 1 January 2013:

	HK$'000
Cash consideration *(note a)*	900,000
Net assets of the Disposal Group *(note b)*	(210,930)
Sales of the Sale Loan *(note a)*	(67,060)
Estimated legal and professional fees directly attributed to the Disposal *(note c)*	(11,418)
Estimated gain on the Disposal	610,592
Attributable to:	
Owners of the Company	227,843
Non-controlling interests	382,749
	610,592

(a) In accordance to the sale and purchase agreement entered into by Houston Venture Limited, an indirect subsidiary of the Company, and Oceanic Leader Investments Limited, an independent third party of the Group, the Group proposed to dispose of its entire equity interest in Himson Enterprises and Longham Investment, together with the Sale Loan of Himson Enterprises and Longham Investment owing to the Remaining Group at an aggregated consideration of HK$900,000,000. As at 1 January 2013, the carrying amount of the Sale Loan is approximately HK$67,060,000.

(b) As at 1 January 2013, the net assets of the Disposal Group is HK$210,930,000 based on the combined net assets of Himson Enterprises and its subsidiary of HK$211,073,000, and Longham Investment of HK$80,566,000 extracted from their respective financial information set out in Appendix II and Appendix III to this circular, the elimination of interest in an associate of Longham Investment (being a non-wholly owned subsidiary of Himson Enterprises) amounted to HK$74,452,000 against the non-controlling interest of Himson Enterprises and the exclusion of the net assets as at 1 January 2013 of a subsidiary disposed of during the year ended 31 December 2013 by Longham Investment to its immediate holding company of HK$6,257,000.

(c) The estimated legal and professional fees directly attributed to the Disposal is approximately HK$11,418,000.

Given the consideration including the sale of Sale Loan is fixed at HK$900,000,000, and the carrying amount of the Sale Loan is HK$67,060,000 as at 1 January 2013, the estimated gain of HK$610,592,000 has not taken into account further advances granted or repayments made between the Remaining Group and the Disposal Group subsequent to 1 January 2013, which would affect the final gain or loss upon the completion of the disposal.

The final gain on the Disposal may also be affected by the carrying amount of the assets and liabilities of the Disposal Group on the date of disposal.

4. The adjustments are to exclude the cash flows of the Disposal Group incorporated in the consolidated statement of cash flows of the Group for the year ended 31 December 2013 as if the Disposal had been taken place on 1 January 2013.

5. The net cash inflows of HK$882,641,000 is calculated by deducting the (i) estimated legal and professional fees for this transaction of approximately HK$11,418,000 and (ii) bank and cash of the Disposal Group of approximately HK$5,941,000 as at 1 January 2013 from the cash consideration of HK$900,000,000 as if the Disposal had been taken place on 1 January 2013. Gain on the disposal of HK$610,592,000 is adjusted against the profit before taxation in the pro forma consolidated statement of cash flows. The cash inflows of HK$180,000,000 from deposit received from disposal of subsidiaries and the cash outflow of HK$5,000,000 for the prepaid legal and professional fees during the year ended 31 December 2013 are reversed as if the Disposal had been taken place on 1 January 2013.

6. The adjustments to the pro forma consolidated statement of profit or loss and other comprehensive income and the pro forma consolidated statement of cash flows are not expected to have a continuing effect on the Remaining Group.

B. ACCOUNTANTS' REPORT FROM THE REPORTING ACCOUNTANTS ON PRO FORMA FINANCIAL INFORMATION

The following is the text of a report received from our reporting accountants, Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, prepared for the purpose of incorporation in this circular, in respect of pro forma financial information of the Remaining Group.

Deloitte.
德勤

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

TO THE DIRECTORS OF SHUN HO RESOURCES HOLDINGS LIMITED

We have completed our assurance engagement to report on the compilation of pro forma financial information of Shun Ho Resources Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The pro forma financial information consisted of the pro forma consolidated statement of financial position as at 31 December 2013, the pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2013, the pro forma consolidated statement of cash flows for the year ended 31 December 2013 and related notes as set out on pages 25 to 34 of the circular issued by the Company dated 26 February 2014 (the "Circular"). The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described in section A of Appendix IV of the Circular.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the disposal of entire equity interests in and loans to Himson Enterprises Limited and Longham Investment Limited on the Group's financial position as at 31 December 2013 and its financial performance and cash flows for the year ended 31 December 2013 as if the transaction had taken place at 31 December 2013 and 1 January 2013 respectively. As part of this process, information about the Group's financial position, financial performance and cash flows has been extracted by the Directors from the Group's financial statements for the year ended 31 December 2013, on which an audit report has been issued.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2013 or 1 January 2013 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the pro forma financial information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
26 February 2014

The following is the text of a letter and valuation certificate prepared for the purpose of incorporation in this document received from DTZ Debenham Tie Leung Limited, an independent property valuer, in connection with its opinion of market value of the Property in Macau as at 31 December 2013.

16th Floor
Jardine House
1 Connaught Place
Central
Hong Kong

26 February 2014

The Board of Directors
Magnificent Estates Limited
Shun Ho Technology Holdings Limited
Shun Ho Resources Holdings Limited
3/F, Shun Ho Tower
24-30 Ice House Street
Central, Hong Kong

Dear Sirs,

Re: Best Western Hotel Taipa, Macau, Estrada Governador Nobre De Carvalho No. 822, Taipa, Macau

INSTRUCTIONS, PURPOSE & DATE OF VALUATION

In accordance with the instruction of Magnificent Estates Limited, Shun Ho Technology Holdings Limited and Shun Ho Resources Holdings Limited (the "Companies") for us to carry out market valuation of Best Western Hotel Taipa, Macau (the "Property"), we confirm that we have carried out site inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the Property as at 31 December 2013 (the "Date of Valuation").

DEFINITION OF MARKET VALUE

Our valuation of the Property represents its market value which in accordance with the HKIS Valuation Standards 2012 Edition published by the Hong Kong Institute of Surveyors is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion".

VALUATION BASIS AND ASSUMPTION

Our valuation of the Property excludes an estimated price inflated or deflated by special terms or circumstances such as atypical financing, sale and leaseback arrangement, special considerations or concessions granted by anyone associated with the sale, or any element of special value.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the Property nor any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

METHODS OF VALUATION

In valuing the hotel portion of the Property, we have used the Discounted Cash Flow ("DCF") method which involves discounting future net cash flow to present value by an appropriate discount rate. We have assumed that all relevant statutory and/or mandatory permissions, permits, approvals and licences which are necessary for hotel operation have been obtained.

Regarding the shop and car parking space portions, we have valued them by capitalising the rental income derived from the existing tenancy with due provision for the reversionary income potential of them and/or by making reference to comparable sales transactions as available in the market.

In valuing the Property, we have complied with the requirements set out in Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the HKIS Valuation Standards 2012 Edition published by the Hong Kong Institutes of Surveyors.

SOURCE OF INFORMATION

We have relied to a very considerable extent on the information given by the Companies. We have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, identification of Property, particulars of occupancy, trading accounts, site and floor plans, site and floor areas number of guestrooms and all other relevant matters.

Dimension, measurements and areas included in this valuation report are based on the information provided to us and are therefore only approximations. We have had no reason to doubt the truth and accuracy of the information provided to us by the Companies which is material to the valuation. We were also advised that no material facts have been omitted from the information supplied.

TITLE INVESTIGATION

We have not been provided with copies of the title documents relating to the Property but have caused searches to be made at the Conservatória do Registo Predial (Real Estate Registry) (物業登記局) in Macau. However, we have not searched the original documents to verify ownership or to ascertain any amendments to any documents. All documents have been used for reference only and all dimensions, measurements and areas are approximate.

SITE INSPECTION

Our valuer, Mr. Enoch Chan is member of the Hong Kong Institute of Surveyors, inspected the exterior and wherever possible, the interior of the Property on 30 December 2013. However, no structural survey has been made, but in the course of our inspection, we did not note any serious defects. We are not able to report whether the Property is free of rot, infestation and any other structural defects. No tests were carried out to any of the services.

Unless otherwise stated, we have not been able to carry out detailed on-site measurements to verify the site and floor areas of the Property and we have assumed that the areas shown on the documents handed to us are correct.

Unless otherwise stated, all sums stated in our valuations are in Hong Kong Dollars. The exchange rate adopted in our valuation for the Property is approximately HK$1 = MOP1.03 which was the approximate exchange rate prevailing as at the Date of Valuation.

We attach herewith the valuation certificate.

Yours faithfully,
For and on behalf of
DTZ Debenham Tie Leung Limited

K B Wong
Registered Professional Surveyor
(General Practice)
MRICS, MHKIS
Senior Director

Note: Mr. K B Wong is a Registered Professional Surveyor (General Practice) who has over 25 years property valuation experience in Hong Kong and Macau.

VALUATION CERTIFICATE

Property held for sale

Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 December 2013
Best Western Hotel Taipa, Macau, Estrada Governador Nobre De Carvalho No. 822, Taipa, Macau.	The Property comprises a 17-storey hotel building erected on an irregular site with a registered site area of approximately 2,274 sq.m. (24,477 sq.ft.). The Property is located in the center of Taipa, Macau where hotels, casino complexes, residential developments and retail shops can be found in the locality. The total gross floor area of the Property is approximately 19,389 sq.m. (208,703 sq.ft.). The Property accommodates a total of 262 guestrooms, a restaurant and a lobby lounge as well as a swimming pool, function rooms and a gymnasium. In addition, there are 48 car parking spaces provided on the M2/F and a shop provided on the G/F. The Property is held under a Government Lease for a term of 25 years commencing from 24 March 1993. We have assumed that the Government Lease can be renewed successfully in accordance with the prevailing government policies till 19 December 2049. The total Government Rent payable for the Property is MOP 285,590 per annum.	As at the Date of Valuation, the shop on the G/F with an area of approximately 11,000 sq.ft. was let for a term of 3 years commencing from 22 September 2012 to 21 September 2015 at a monthly rent of MOP 300,000 exclusive of management fees and all other outgoings. As informed by the Companies, the above tenant ceased operation. However, the owner of the Property is still receiving the monthly rent from the tenant. The remaining portions of the Property were operated by the owner of the Property.	HK$900,000,000

Notes:

(1) The registered owner of the Property is Sociedade De Investimento e Desenvolvimento Grand, Limitada (Grand–Invest & Development Company Limited) (格蘭投資發展有限公司), a company legally and beneficially owned as to 70% by Himson Enterprises Limited and 30% by Longham Investment Limited which are both indirect wholly-owned subsidiaries of Magnificent Estates Limited.

(2) The use of the Property as hotel purpose is permitted under a Licenca Da Utilizacao No. 24/2004 (translated as "Use Permit") (使用准照) dated 27 September 2004 as approved by Direccao Dos Servicos De Solos, Obras Publicas e Transportes (Land, Public Works and Transport Bureau) (土地工務運輸局).

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 circular 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 document misleading.

2. DISCLOSURE OF INTERESTS

Directors and chief executive

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) 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 (b) which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO; or (c) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in appendix 10 to the Listing Rules, were as follows:

(i) Interests in issued shares in the Company

Name of Director	Capacity	Nature of interests	Number of Shares held	Approximate % of shareholding
William Cheng Kai Man	Interest of controlled corporations	Corporate	216,608,825 *(Note)*	71.20

Note:

Trillion Resources Limited and Mercury Fast Limited beneficially owned 154,006,125 Shares and 62,602,700 Shares respectively, representing 50.60% and 20.60% respectively of the issued share capital of the Company. Mr. William Cheng Kai Man had controlling interests in each of these companies.

(ii) Interests in associated corporations (within the meaning of Part XV of the SFO) of the Company

Name of Director	Name of associated corporation	Capacity	Nature of interests	Number of Shares held	Approximate % of shareholding
William Cheng Kai Man	Shun Ho Technology *(Note 1)*	Interest of controlled corporations	Corporate	350,043,999	65.18
William Cheng Kai Man	Magnificent Estates *(Note 2)*	Interest of controlled corporations	Corporate	6,360,585,437	71.09
William Cheng Kai Man	Trillion Resources *(Note 3)*	Beneficial owner	Personal	1	100.00

Notes:

1. Shun Ho Technology, the Company's indirect subsidiary, is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange.

2. Magnificent Estates, the Company's indirect subsidiary, is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange.

3. Trillion Resources, the Company's ultimate holding company, is a company incorporated in the British Virgin Islands.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares and/or debentures (as the case may be) of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be entered in the register required to be kept by the Company under section 352 of the SFO; or (b) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers and none of the Directors or their associates or their spouse or children under the age of 18, had any right to subscribe for the securities of the Company or associated corporations, or had exercised any such right.

Substantial Shareholders

So far as is known to the Directors, as at the Latest Practicable Date, each of the following persons (not being Directors or chief executive of the Company), had an interest and/or short position in the Shares or underlying Shares (as the case may be) which would fall to be disclosed to the Company and the Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, or was otherwise interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of Shareholder	Capacity	Number of Shares/Underlying Shares Held	Approximate % of shareholding
Mercury Fast Limited ("Mercury") *(Note 1)*	Beneficial owner and interest of controlled corporations	62,602,700	20.60
Magnificent Estates *(Note 1)*	Interest of controlled corporation	62,602,700	20.60
Shun Ho Technology *(Note 1)*	Interest of controlled corporation	62,602,700	20.60
Trillion Resources *(Note 2)*	Beneficial owner and Interest of controlled corporations	216,608,825	71.20
Liza Lee Pui Ling *(Note 3)*	Interest of spouse	216,608,825	71.20

Notes:

1. Magnificent Estates and Shun Ho Technology were taken to be interested in 62,602,700 shares of the Company ("Shares") held by Mercury as Mercury was a wholly-owned subsidiary of Magnificent Estates which in turn owned as to 71.09% by Shun Ho Technology and its subsidiaries.

2. Shun Ho Technology was directly and indirectly owned as to 65.27% by Omnico Company Inc., which was in turn owned as to 100% by the Company, which was in turn directly and indirectly owned as to 71.20% by Trillion Resources. Trillion Resources was wholly-owned by Mr. William Cheng Kai Man. Trillion Resources beneficially owned 154,006,125 Shares and was taken to be interested in 62,602,700 Shares by virtue of its indirect interests in Mercury.

3. Madam Liza Lee Pui Ling was deemed to be interested in 216,608,825 Shares by virtue of the interest in such Shares of her spouse, Mr. William Cheng Kai Man, a director of the Company.

Save as disclosed above and so far as is known to the Directors, as at the Latest Practicable Date, no other person (other than the Directors and chief executives) had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

3. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or, so far as is known to them, any of their respective associates, was interested in any business (apart from the Group's business) which competes or is likely to compete either directly or indirectly with the Group's business (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder).

4. DIRECTORS' INTERESTS IN THE GROUP'S ASSETS OR CONTRACT OR ARRANGEMENTS SIGNIFICANT TO THE GROUP

As at the Latest Practicable Date, none of the Directors had any interest in any assets which have been, since 31 December 2012 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement, subsisting at the date of this circular, which is significant in relation to the business of the Group.

5. DIRECTORS' INTERESTS IN SERVICE CONTRACTS

As at the Latest Practicable Date, none of the directors had any existing or was proposing to enter into any service contracts with the Company or any member of the Group (excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation)).

6. LITIGATION

So far as the Directors are aware, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or arbitration of material importance was pending or threatened against the Company or any of its subsidiaries as at the Latest Practicable Date.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2012, (being the date to which the latest published audited consolidated financial statements of the Group were made up).

8. MATERIAL CONTRACTS

No material contract (not being contracts entered into in the ordinary course of business) has been entered into by the Company or its subsidiaries within the two years preceding the Latest Practicable Date.

9. CONSENTS

Each of DTZ Debenham Tie Leung Limited and Deloitte Touche Tohmatsu has given and has not withdrawn their respective written consents to the inclusion of their respective report in this circular with references to their name in form and context in which they respectively appear.

10. QUALIFICATION OF EXPERTS

The followings are the qualification of the experts who have given opinion or advice, contained in this circular:

Name	**Qualifications**
DTZ Debenham Tie Leung Limited	Professional surveyors and valuer
Deloitte Touche Tohmatsu	Certified Public Accountants

As at the Latest Practicable Date, neither DTZ Debenham Tie Leung Limited nor Deloitte Touche Tohmatsu has any holding, directly or indirectly, of any securities in any member of the Group or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities of any member of the Group.

As at the Latest Practicable Date, neither DTZ Debenham Tie Leung Limited nor Deloitte Touche Tohmatsu has any direct or indirect interests in any assets which since 31 December 2012 (being the date to which the latest published audited consolidated financial statements of the Group were made up) have been acquired or disposed of by, or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group.

11. GENERAL

(a) The registered office of the Company is situated at 3rd Floor, Shun Ho Tower, 24-30 Ice House Street, Central, Hong Kong.

(b) The share registrar of the Company is Tricor Tengis Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong.

(c) The secretary of the Company is Mr. Huen Po Wah, an associate of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. He is also a holder of the Practitioner's Endorsement issued by the Hong Kong Institute of Chartered Secretaries.

(d) In the event of any inconsistency, the English language text of this circular shall prevail over the Chinese language text.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the office of the Company at 3rd Floor, Shun Ho Tower, 24-30 Ice House Street, Central, Hong Kong, for a period of 14 days from the date of this circular:

(a) this circular;

(b) the Agreement;

(c) the memorandum of association and articles of association of the Company;

(d) the published audited consolidated financial statements of the Company for each of the financial years ended 31 December 2011 and 31 December 2012;

(e) the consent letters of Deloitte Touche Tohmatsu and DTZ Debenham Tie Leung Limited referred to in the section headed "Consents" in this appendix;

(f) the report from Deloitte Touche Tohmatsu on the pro forma on the Remaining Group, the text of which is set out in Appendix IV to this circular; and

(g) the letter and valuation certificate prepared by DTZ Debenham Tie Leung Limited in respect of the Hotel, the text of which is set out in Appendix V to this circular.

SHUN HO RESOURCES HOLDINGS LIMITED
(順豪資源集團有限公司)

(Incorporated in Hong Kong with limited liability)
(Stock Code: 253)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the shareholders of Shun Ho Resources Holdings Limited (the "Company") will be held at 3rd Floor, Ramada Hong Kong Hotel, 308 Des Voeux Road West, Hong Kong on 13 March 2014 at 10:30 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

"**THAT** the agreement dated 20 December 2013 (the "Agreement") between Houston Venture Limited (the "Vendor"), a subsidiary of the Company, and Oceanic Leader Investments Limited as the purchaser, in respect of disposal of sale shares comprising the entire issued share capital of Himson Enterprises Limited ("Himson Enterprises") and Longham Investment Limited ("Longham Investment") respectively and a sale loan in the sum of HK$28,687,000 owed by Himson Enterprises and Longham Investment to the Vendor for a total consideration of HK$900,000,000 (the "Disposal") and all the incidental transactions contemplated be and are hereby approved, ratified and confirmed and THAT the directors of the Company be and are hereby authorised on behalf of the Company to sign, seal, execute, perfect, deliver and do all such documents, deeds, acts, matters and things as they may in their absolute discretion consider necessary or desirable for the purpose of or in connection with the Agreement, the Disposal and all the transactions contemplated thereunder."

By order of the Board

Huen Po Wah
Secretary

Hong Kong, 26 February 2014

Registered Office:
3rd Floor, Shun Ho Tower
24-30 Ice House Street
Central
Hong Kong

Notes:

(1) Any member entitled to attend and vote at the meeting is entitled to appoint more than one proxy to attend and on a poll to vote instead of him. A proxy need not be a member of the Company.

(2) Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.

(3) A form of proxy for use at the meeting is enclosed.

(4) To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be deposited at the share registrar of the Company in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting.