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SHUN HO RESOURCES HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 253)

DISCLOSEABLE TRANSACTION

ANNOUNCEMENT

DISPOSAL OF LISTED SECURITIES

THE DISPOSAL

On 9 October 2015, Mercury Fast Limited, being an indirect subsidiary of the Company, disposed of 1,000,000 HSBC Shares on the market, at an average price of HK\$63.0086 per HSBC Share for the gross sale proceeds of HK\$63,008,600 (excluding transaction costs).

LISTING RULES IMPLICATIONS

For the Company, as certain applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal exceeds 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

For MEL and SHT, as certain applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal does not exceed 5%, the Disposal does not constitute a notifiable transaction for MEL and SHT and is not subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

THE DISPOSAL

The Board is pleased to announce that Mercury Fast Limited, being an indirect subsidiary of the Company, disposed of 1,000,000 HSBC Shares on the market at an average price of HK\$63.0086 per HSBC Share for the gross sale proceeds of HK\$63,008,600 (excluding transaction costs) on 9 October 2015.

As the Disposal was made on the market, the Company is not aware of the identity(ies) of the purchaser(s) of the HSBC Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the purchaser(s) of the HSBC Shares and their ultimate beneficial owner(s) are the Independent Third Party(ies).

ASSETS DISPOSAL

The Group had a total of 3,100,000 HSBC Shares before the Disposal. The Disposal involved 1,000,000 HSBC Shares, representing approximately 0.005% of the issued share capital of HSBC.

CONSIDERATION

The gross sale proceeds of the Disposal is HK\$63,008,600 (excluding transaction costs), which will be settled by the counterparties in cash on 13 October 2015, being the second business day immediately after the date of Disposal. The gross sale proceeds of the Disposal represented the market price of the HSBC Shares at the time of the Disposal.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is principally an investment holding company. Through its major subsidiaries, SHT and MEL, the Group is principally engaged in property investment, property development and leasing, investment in and operation of hotels.

The purpose of the Disposal is to realise the investment in HSBC Shares. As a result of the Disposal, the Group is expected to recognize a gain of approximately HK\$4 million which is calculated on the basis of the difference between the average acquisition price and the disposal price (excluding transaction costs). The Group intends to use the proceeds of the Disposal for general working capital.

The Disposal was made at market price and the Directors are of the view that the Disposal, which will enable the Group to recognize a gain and realise the investment in the HSBC Shares, is fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

INFORMATION OF HSBC GROUP

HSBC is a company incorporated in England with limited liability whose shares are listed on the Stock Exchange (stock code: 005). HSBC is principally engaged in commercial and retail banking business and the provision of a comprehensive range of banking and related financial services through an international network in the Asia-Pacific region, Europe, the Americas, the Middle East and Africa.

The following information is extracted from the annual report of HSBC for the two financial years ended 31 December 2014 and 31 December 2013 respectively:

	Year ended 31 December	
	2014	2013
	<i>US\$ million</i>	<i>US\$ million</i>
Operating Income	74,593	78,337
Profit before tax	18,680	22,565
Profit after tax	14,705	17,800

As extracted from interim report of HSBC, the consolidated net assets value of HSBC Group as at 30 June 2015 is US\$ 201,382 million.

IMPLICATIONS UNDER THE LISTING RULES

For the Company, as certain applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal exceeds 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

For MEL and SHT, as certain applicable percentage ratio (as defined under the Listing Rules) in respect of the Disposal does not exceed 5%, the Disposal does not constitute a notifiable transaction for MEL and SHT and is not subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of directors of the Company
“Company”	Shun Ho Resources Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Disposal”	The disposal by the Company, through its indirect subsidiary, of a total of 1,000,000 HSBC Shares on 9 October 2015 for a consideration of HK\$63,008,600
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region
“HSBC”	HSBC Holdings plc is a company incorporated in England with limited liability whose shares are listed on the Stock Exchange (stock code: 005)
“HSBC Group”	HSBC and its subsidiaries
“HSBC Shares”	ordinary shares of US\$0.5 each in the share capital of HSBC
“Independent Third Party(ies)”	a party(ies) independent of and not connected with the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MEL”	Magnificent Estates Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange

“Shareholder(s)”	the holder(s) of shares of the Company
“SHT”	Shun Ho Technology Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed of the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percentage

By order of the Board
Shun Ho Resources Holdings Limited

William CHENG Kai Man
Chairman

Hong Kong, 9 October 2015

As at the date hereof, the Board comprises six Directors, of which two are Executive Directors, namely Mr. William Cheng Kai Man and, Mr. Albert Hui Wing Ho; one is Non-executive Director, Madam Mabel Lui Fung Mei Yee; and three are Independent Non-executive Directors, namely Mr. Vincent Kwok Chi Sun, Mr. Chan Kim Fai and Mr. Hui Kin Hing.