SHUN HO RESOURCES HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 253)

2007 INTERIM RESULTS

RESULTS

The board of directors (the "Board") of Shun Ho Resources Holdings Limited (the "Company") announces that the unaudited consolidated profit after taxation of the Company and its subsidiaries (together the "Group") for the six months ended 30th June, 2007 amounted to approximately HK$609,673,000 (six months ended 30th June, 2006: HK$44,972,000) and the unaudited consolidated profit after minority interests of the Group for the six months ended 30th June, 2007 amounted to HK$167,715,000 (six months ended 30th June, 2006: HK$16,441,000). The unaudited consolidated results of the Group for the period, together with comparative figures for the previous period, are as follows:

Condensed Consolidated Income Statement

For the six months ended 30th June, 2007

		Six months ended	
	NOTES	**30.6.2007**	30.6.2006
		HK$'000	*HK$'000*
		(unaudited)	(unaudited)
Turnover	3	**99,577**	86,556
Cost of sales		**(2,269)**	(1,876)
Other service costs		**(44,887)**	(43,835)
Depreciation and release of prepaid lease payment for land		**(15,845)**	(14,137)
Gross profit		**36,576**	26,708
Revaluation surplus/increase in fair value of investment properties		**784,249**	30,800
Gain on change in value of leasehold interest in land upon transfer to investment properties		**-**	2,804
Other income		**10,849**	2,076
Decrease in fair value of investments held for trading		**(457)**	(463)
Administrative expenses		**(8,734)**	(6,587)
Share of loss of an associate		**(4)**	(4)
Finance costs	5	**(5,193)**	(3,123)
Losses on disposal and deemed disposal of interests in a subsidiary		**(62,626)**	-
Profit before taxation	6	**754,660**	52,211
Taxation	7	**(144,987)**	(7,239)
Profit for the period		**609,673**	44,972
Attributable to:			
Shareholders of the Company		**167,715**	16,441
Minority interests		**441,958**	28,531
		609,673	44,972
		HK Cents	*HK Cents*
Earnings per share	8		
Basic		**69.4**	6.8

Condensed Consolidated Balance Sheet
At 30th June, 2007

	NOTES	**30.6.2007**	31.12.2006
		HK$'000	*HK$'000*
		(unaudited)	(audited)
Non-current Assets			
Property, plant and equipment		**408,025**	405,927
Prepaid lease payments for land		**806,355**	802,483
Investment properties		**1,894,700**	634,330
Deposit for acquisition of land		**73,000**	-
Property under development		**12,425**	234,897
Interest in an associate		**550**	554
Available-for-sale investments		**780**	780
		3,195,835	2,078,971
Current Assets			
Inventories		**667**	615
Properties for sale		**19,174**	15,505
Investments held for trading		**22,564**	23,022
Prepaid lease payments for land		**12,295**	13,835
Trade and other receivables	10	**7,654**	12,497
Other deposits and prepayments		**4,209**	4,398
Deposit for acquisition of land		**-**	19,500
Pledged bank deposit		**110**	110
Bank balances and cash		**207,433**	93,180
		274,106	182,662
Current Liabilities			
Trade and other payables	11	**38,946**	43,098
Rental and other deposits received		**9,441**	7,026
Amount due to an associate		**2,269**	2,269
Tax liabilities		**11,186**	5,665
Bank loans		**462,196**	315,743
		524,038	373,801
Net Current Liabilities		**(249,932)**	(191,139)
		2,945,903	1,887,832
Capital and Reserves			
Share capital		**152,184**	152,184
Share premium and reserves		**678,198**	510,730
Equity attributable to shareholders of the Company		**830,382**	662,914
Minority interests		**1,819,844**	1,068,706
Total Equity		**2,650,226**	1,731,620
Non-current Liability			
Deferred tax liabilities		**295,677**	156,212
		2,945,903	1,887,832

Notes:

1. BASIS OF PREPARATION

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

2. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31st December, 2006.

In the current interim period, the Group has applied, for the first time, the following new standard, amendment and interpretations ("new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning on 1st January, 2007.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) - Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC) - Int 8	Scope of HKFRS 2
HK(IFRIC) - Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) - Int 10	Interim Financial Reporting and Impairment

The adoption of these new HKFRSs had no material effect on the results and the financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new or revised standards or interpretations that have been issued but are not yet effective.

HKAS 23 (Revised)	Borrowing Costs[1]
HKFRS 8	Operating Segments[1]
HK(IFRIC) - INT 11	HKFRS 2 - Group and Treasury Share Transactions[2]
HK(IFRIC) - INT 12	Service Concession Arrangements[3]

[1] Effective for annual periods beginning on or after 1st January, 2009
[2] Effective for annual periods beginning on or after 1st March, 2007
[3] Effective for annual periods beginning on or after 1st January, 2008

The directors of the Company anticipate that the application of these standard or interpretations will have no material impact on the results and the financial position of the Group.

3. TURNOVER

	Six months ended 30.6.2007 HK$'000 (unaudited)	Six months ended 30.6.2006 HK$'000 (unaudited)
Income from operation of hotels	**88,320**	78,190
Property rental income	**10,550**	7,762
Interest from debt securities	**667**	604
Dividend income	**40**	-
	99,577	86,556

4. SEGMENT INFORMATION

Business segments

For management purposes, the Group is mainly organised into four operations. These operations based on which the Group reports its primary segment information are as follows:

Hospitality services	- investment in and operation of hotels
Property investment	- property letting
Property development and trading	- development and trading of properties
Securities investment and trading	- investment in and trading of securities

Segment information about these businesses is presented below:

Six months ended 30th June, 2007

	Hospitality services HK$'000 (unaudited)	Property investment HK$'000 (unaudited)	Securities investment and trading HK$'000 (unaudited)	Consolidated HK$'000 (unaudited)
TURNOVER				
External	88,320	10,550	707	99,577
SEGMENT RESULTS				
Operations	27,187	10,016	250	37,453
Revaluation surplus/increase in fair value of investment properties	-	784,249	-	784,249
	27,187	794,265	250	821,702
Unallocated other income				10,849
Unallocated corporate expenses				(72,694)
Share of loss of an associate				(4)
Finance costs				(5,193)
Profit before taxation				754,660
Taxation				(144,987)
Profit for the period				609,673

Six months ended 30th June, 2006

	Hospitality services *HK$'000* (unaudited)	Property investment *HK$'000* (unaudited)	Securities investment and trading *HK$'000* (unaudited)	Consolidated *HK$'000* (unaudited)
TURNOVER				
External	78,190	7,762	604	86,556
SEGMENT RESULTS				
Operations	22,786	7,017	140	29,943
Increase in fair value of investment properties	-	30,800	-	30,800
	22,786	37,817	140	60,743
Gain on change in value of leasehold interest in land upon transfer to investment properties				2,804
Unallocated other income				2,076
Unallocated corporate expenses				(10,285)
Share of loss of an associate				(4)
Finance costs				(3,123)
Profit before taxation				52,211
Taxation				(7,239)
Profit for the period				44,972

Geographical segments

The following is an analysis of the Group's turnover by geographical markets:

	Six months ended	
	30.6.2007	30.6.2006
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Hong Kong	**73,151**	63,881
Macau	**16,970**	15,141
Other regions in the People's Republic of China	**9,456**	7,534
	99,577	86,556

5. FINANCE COSTS

	Six months ended	
	30.6.2007	30.6.2006
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Interest on bank loans and overdrafts wholly repayable within five years	**8,821**	6,144
Less: amount capitalised in property under development	**(3,628)**	(3,021)
	5,193	3,123

6. PROFIT BEFORE TAXATION

	Six months ended	
	30.6.2007	30.6.2006
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit before taxation has been arrived at after charging (crediting):		
Release of prepaid lease payments for land	**6,866**	6,975
Less: amortisation capitalised in property under development	**(834)**	(885)
	6,032	6,090
Depreciation of property, plant and equipment	**9,813**	8,047
Interest on bank deposits, included in other income	**(1,492)**	(1,762)
Gain on disposal of property, plant and equipment, included in other income	**(9,315)**	-

7. TAXATION

	Six months ended	
	30.6.2007	30.6.2006
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
The taxation charge comprises:		
Current tax		
Hong Kong Profits Tax	**5,522**	3,245
Deferred tax	**139,465**	3,994
	144,987	7,239

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate for the full financial year.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Six months ended	
	30.6.2007	30.6.2006
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Results for the period and results for the purpose of calculating basic earnings per share	**167,715**	16,441

	Number of shares	
	'000	*'000*
	(unaudited)	(unaudited)
Weighted average of ordinary shares for the purpose of calculating basic earnings per share	**241,766**	241,766

Diluted earnings per share figures for the periods have not been shown as there were no potential dilutive ordinary shares outstanding during both of the periods presented.

9. DIVIDEND

During the period, no dividend was paid to shareholders of the Company.

The directors have resolved not to declare an interim dividend in respect of the period (six months ended 30.6.2006: Nil)

10. TRADE AND OTHER RECEIVABLES

Except for an average credit period of 30 to 60 days granted to travel agencies and customers of the hotels, the Group does not allow any credit period to its customers. The following is an aged analysis of the Group's receivables at the balance sheet date:

	30.6.2007	31.12.2006
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0 - 30 days	**6,326**	10,270
31 - 60 days	**1,146**	1,646
Over 60 days	**182**	581
	7,654	12,497

11. TRADE AND OTHER PAYABLES

The following is an aged analysis of the Group's trade and other payables at the balance sheet date:

	30.6.2007	31.12.2006
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0 - 30 days	**30,099**	37,030
31 - 60 days	**633**	892
Over 60 days	**8,214**	5,176
	38,946	43,098

DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30th June, 2007 (six months ended 30.6.2006: Nil)

MANAGEMENT DISCUSSION AND ANALYSIS

During the period under review, the Group through its major subsidiary, Shun Ho Technology Holdings Limited and Magnificent Estates Limited, continued with its operations of properties investment, development and leasing and operation of hotels.

- For the six months ended 30th June, 2007, the Group's turnover was mostly derived from the aggregate of income from operation of hotels, properties rental income, interest and dividend income.

The income from operation of hotels increased from HK$78 million to HK$88 million for the same period compared with last year. The increase of turnover for the period was due to better tourism visit environment and smooth running the operations of Ramada Hotel Kowloon, Ramada Hong Kong Hotel, Best Western Hotel Taipa, Macau and Magnificent International Hotel, Shanghai.

The properties rental income was derived from office building of Shun Ho Tower and various shops of Ramada Hotel Kowloon, Ramada Hong Kong Hotel and Best Western Hotel Taipa, Macau amounted HK$10,550,000.

The successful completion of the grade A commercial building at 633 King's Road in May 2007 has led to a revaluation gain of HK$784 million. This represents a conservative valuation of the building at HK$1,260 million. The Board envisage this investment property will continue to bring revaluation gain in the years ahead.

- As at 30th June, 2007, the overall debts was bank borrowings of HK$462 million (31.12.2006: HK$316 million). The increase of overall debts was due to the acquisition of three hotel development properties for a total of approximately HK$960 million.

  The gearing ratio was approximately 17% (31.12.2006: 18%) in terms of external bank borrowings of HK$462 million (31.12.2006: HK$316 million) against funds employed of HK$2,650 million (31.12.2006: HK$1,732 million).

  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. During the period under review, there was no significant changes in the Group's staffing level and remuneration and benefit were set with reference to the market.

- For the period under review, the investment properties such as Shun Ho Tower, various shops in Ramada Hong Kong Hotel, Ramada Hotel Kowloon and Best Western Hotel Taipa, Macau were fully letted. It is expected that the rental revenue from these properties will continue to increase.

  The construction of the grade A office building at 633 King's Road was completed with occupation permit issued in May 2007. The Board envisages the 300,000 square feet office building will increase rental income for the Group substantially.

  For the period under review, there was no property disposal. However, the houses at Gold Coast Marina, Tuen Mun are available for sale.

Looking ahead, the Board considers that the prosperity and Olympic Games in China will continue to fuel international travels to Hong Kong and China. The implementation by the PRC Government of CEPA and the furtherance of relaxation of mainland travellers to visit Hong Kong help stimulate further regional tourism. It is envisaged that the hotel business should further improve in the coming year confirming the Group's correct strategy to build up a major portfolio of prime 4-star hotels in Hong Kong and major cities of China. The continuous increase of inbound tourists justified the Group's intention to expand the Group's hotel assets. The recent rising property prices also add momentum to the Hong Kong business environment that brings benefit to the Company's commercial portfolio in Central and North Point. The Group will continue to acquire quality hotels and investment/development properties should the opportunity arises.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries during the period.

CORPORATE GOVERNANCE

(a) Compliance with the Code on Corporate Governance Practices

During the period, the Company has complied with the code provisions set out in the Code of Corporate Governance Practices (the "Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") except the following:

Code Provision A.2.1

The Company does not have separate appointments for Chairman and Chief Executive Officer. Mr. William CHENG Kai Man holds both positions. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person enables the Company to have a stable and consistent leadership. It will also facilitate the planning and execution of the Company's strategy and is hence, for the interests of the Company and its shareholders.

Code Provision A.4.1

Non-executive directors of the Company have no set term of office but retire from office on a rotational basis at least once every three years. Amendment to the articles of association of the Company was proposed and approved by the shareholders at the annual general meeting of the Company held on 27th May, 2005 whereby every director shall be subject to retirement by rotation at least once every three years. The Company considers that sufficient measures have been taken to ensure that its corporate governance practices are no less exacting than those in the Code.

(b) Compliance with the Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the directors. Having made specific enquiry of all directors, the Company confirmed that all directors have complied with the required standard set out in the Model Code.

REVIEW BY THE AUDIT COMMITTEE

The audit committee has reviewed the unaudited financial results of the Group for the six months ended 30th June, 2007.

By Order of the Board

William CHENG Kai Man
Chairman

Hong Kong, 13th September, 2007

As at the date hereof, the Board comprises seven Directors, of which two are Executive Directors, namely Mr. William Cheng Kai Man and Mr. Albert Hui Wing Ho; two are Non-executive Directors, namely Mr. David Cheng Kai Ho and 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.