SHUN HO RESOURCES HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 253)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31st DECEMBER, 2008

RESULTS

The board of directors (the "Board") of Shun Ho Resources Holdings Limited (the "Company") announces that the audited consolidated profit for the year of the Company and its subsidiaries (together the "Group") for the year ended 31st December, 2008 amounted to HK127,093,000 (2007: HK$737,162,000). The audited consolidated results of the Group for the year, together with comparative figures for the previous year, are as follows:

Consolidated Income Statement

For the year ended 31st December, 2008

	NOTES	**2008** *HK$'000*	2007 *HK$'000*
Revenue	*3*	**286,191**	231,430
Cost of sales		**(4,164)**	(4,081)
Other service costs		**(105,805)**	(94,542)
Depreciation and release of prepaid lease payments for land		**(27,979)**	(27,461)
Gross profit		**148,243**	105,346
Increase in fair value of investment properties/ revaluation surplus		**24,804**	922,619
Other income		**15,535**	16,554
Loss on fair value changes of investments held for trading		**(244)**	(2,091)
Administrative expenses			
- Depreciation		**(4,789)**	(3,945)
- Others		**(21,010)**	(21,035)
		(25,799)	(24,980)
Impairment loss recognised in respect of interest in an associate		**-**	(123)
Other expenses		**(11,351)**	(4,652)
Share of loss of an associate		**-**	(4)
Finance costs	*5*	**(17,229)**	(21,637)
Losses on disposal and deemed disposal of partial interest in a subsidiary		**-**	(79,221)
Profit before taxation	*6*	**133,959**	911,811
Income tax expense	*7*	**(6,866)**	(174,649)
Profit for the year		**127,093**	737,162
Attributable to:			
Shareholders of the Company		**37,297**	197,442
Non-controlling interests/ minority interests		**89,796**	539,720
		127,093	737,162
		HK Cents	HK Cents
Earnings per share	*8*		
Basic		**15.4**	81.7

Consolidated Balance Sheet
As at 31st December, 2008

	NOTES	2008 HK$'000	2007 HK$'000
Non-Current Assets			
Property, plant and equipment		**418,522**	424,766
Prepaid lease payments for land		**1,301,432**	1,028,057
Investment properties		**1,917,580**	2,536,250
Property under development		**741,914**	39,718
Interest in an associate		**-**	-
Available-for-sale investments		**780**	780
Deposit for acquisition of property, plant and equipment		**167**	-
Deposit for acquisition of land		**-**	4,694
		4,380,395	4,034,265
Current Assets			
Inventories		**814**	689
Properties for sale		**21,650**	21,534
Investments held for trading		**104**	20,931
Prepaid lease payments for land		**12,409**	12,065
Trade and other receivables	*9*	**18,909**	16,892
Other deposits and prepayments		**5,560**	4,930
Pledged bank deposits		**110**	110
Time deposits		**2,500**	-
Bank balances and cash		**19,920**	12,254
		81,976	89,405
Current Liabilities			
Trade and other payables	*10*	**43,682**	42,646
Rental and other deposits received		**30,106**	21,489
Advance from ultimate holding company		**60,427**	-
Tax liabilities		**4,124**	6,929
Bank loans		**181,914**	873,550
		320,253	944,614
Net Current Liabilities		**(238,277)**	(855,209)
Total Assets less Current Liabilities		**4,142,118**	3,179,056
Capital and Reserves			
Share capital		**152,184**	152,184
Share premium and reserves		**892,867**	709,373
Equity attributable to shareholders of the Company		**1,045,051**	861,557
Non controlling interests/ minority interests		**1,923,787**	2,000,238
Total Equity		**2,968,838**	2,861,795
Non-Current Liabilities			
Bank loans		**862,425**	-
Deferred tax liabilities		**310,855**	317,261
		1,173,280	317,261
		4,142,118	3,179,056

Notes:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and by the Hong Kong Companies Ordinance.

2. PRINCIPAL ACCOUNTING POLICIES

In the current year, the Group has applied, for the first time, a number of amendments and interpretations issued by the HKICPA, which are or have become effective. The application of the new HKFRSs had no material effect on how the results and financial position of the Group for the current or prior accounting periods are prepared and presented. Accordingly, no prior year adjustment has been required.

In the current year, the Group has elected to early adopt the following revised HKFRSs with effective from 1st January, 2008, where early adoption was permitted.

HKFRS 3 (Revised)	Business Combinations
HKAS 27 (Revised)	Consolidated and Separate Financial Statements

3. REVENUE

	2008	2007
	HK$'000	*HK$'000*
Income from operation of hotels	**207,135**	197,658
Property rental income	**78,345**	32,341
Interest income from debt securities	**671**	1,351
Dividend income	**40**	80
	286,191	231,430

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

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

Segment information about these businesses is presented below:

REVENUE AND RESULTS
For the year ended 31st December, 2008

	Hospitality Services HK$'000	Property Investment HK$'000	Property Development HK$'000	Securities investment and trading HK$'000	Consolidated HK$'000
REVENUE					
External	**207,135**	**78,345**	**-**	**711**	**286,191**
SEGMENT RESULTS					
Operations	**75,429**	**72,103**	**-**	**467**	**147,999**
Increase in fair value of investment properties	**-**	**24,804**	**-**	**-**	**24,804**
	75,429	**96,907**	**-**	**467**	**172,803**
Other income					**15,535**
Other expenses					**(11,351)**
Unallocated corporate expenses					**(25,799)**
Finance costs					**(17,229)**
Profit before taxation					**133,959**
Income tax expense					**(6,866)**
Profit for the year					**127,093**

REVENUE AND RESULTS
For the year ended 31st December, 2007

	Hospitality Services *HK$'000*	Property Investment *HK$'000*	Property Development *HK$'000*	Securities Investment and trading *HK$'000*	Consolidated *HK$'000*
REVENUE					
External	197,658	32,341	-	1,431	231,430
SEGMENT RESULTS					
Operations	74,037	29,112	-	(660)	102,489
Revaluation surplus/increase in fair value of investment properties	-	922,619	-	-	922,619
	74,037	951,731	-	(660)	1,025,108
Other income					16,554
Other expenses					(4,652)
Losses on disposal and deemed disposal of partial interest in a subsidiary					(79,221)
Unallocated corporate expenses					(24,214)
Impairment loss recognised in respect of interest in an associate					(123)
Share of loss of an associate					(4)
Finance costs					(21,637)
Profit before taxation					911,811
Income tax expense					(174,649)
Profit for the year					737,162

Geographical segments

The following is an analysis of the Group's revenue by geographical markets based on location of customers:

	2008 *HK$'000*	2007 *HK$'000*
Hong Kong	**218,422**	169,112
Macau	**47,439**	41,968
Other regions in the People's Republic of China (the "PRC")	**20,333**	20,350
	286,194	231,430

5. FINANCE COSTS

	2008 *HK$'000*	2007 *HK$'000*
Interests on :		
Bank loans wholly repayable within five years	**28,818**	29,531
Advance from holding company wholly repayable within five years	**1,427**	-
Other	**7**	-
	30,252	29,531
Less: amount capitalised in property under development	**(13,023)**	(7,894)
	17,229	21,637

6. PROFIT BEFORE TAXATION

	2008 *HK$'000*	2007 *HK$'000*
Profit before taxation has been arrived at after charging (crediting):		
Auditor's remuneration	**2,351**	2,231
Staff costs including directors' emoluments	**68,492**	53,647
Depreciation of property, plant and equipment	**20,703**	19,341
Release of prepaid lease payments for land	**18,161**	15,395
Less: amount capitalised and included in property under development	**(6,096)**	(3,330)
	12,065	12,065
Operating lease rental in respect of rented premises and equipment	**211**	331
Gross rental income from investment properties	**(78,345)**	(32,341)
Less: Direct operating expenses from investment properties that generated rental income during the year	**6,242**	2,297
	(72,103)	(30,044)

7. INCOME TAX EXPENSE

	2008 *HK$'000*	2007 *HK$'000*
The taxation charge comprises:		
Current tax		
Hong Kong	**11,292**	11,473
The PRC	**1,010**	61
Other jurisdiction	**1,712**	1,457
	14,014	12,991
(Over) under provision in prior years:		
Hong Kong	**(487)**	609
Other jurisdiction	**(255)**	-
	(742)	(742)
Deferred tax		
Current year	**11,724**	161,576
Attributable to a change in tax rate	**(18,130)**	(527)
	(6,406)	161,049
	6,866	174,649

Hong Kong Profits Tax is calculated at 16.5% (2007: 17.5%) of the estimated assessable profit for the year. Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit for the year attributable to shareholders of the Company of HK$37,297,000 (2007: HK$197,442,000) and on 241,766,000 (2007: 241,766,000) shares in issue during the year. The number of shares adopted in the calculation of the earnings per share has been arrived at after eliminating the shares in the Company held by a subsidiary.

For the year ended 31st December, 2008, Magnificent Estates Limited issued convertible bonds ("Bonds"), which are mandatorily convertible into ordinary shares of Magnificent Estates Limited on the maturity date. No diluted earnings per share has been presented as assuming the mandatory conversion of the Bonds would result in an increase in earnings per share.

Diluted earnings per share for both years are not shown as there are no potential ordinary shares subsist during both of the years presented.

9. TRADE AND OTHER RECEIVABLES

Except for a 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 customers. The following is an aged analysis of the Group's trade receivables at the balance sheet date:

	2008	2007
	HK'000	*HK$'000*
0-30 days	**16,266**	11,670
31-60 days	**634**	2,304
Over 60 days	**96**	1,268
	16,996	15,242
Analysed for reporting as:		
Trade receivables	**16,996**	15,242
Other receivables	**1,913**	1,650
	18,909	16,892

10. TRADE AND OTHER PAYABLES

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

	2008	2007
	HK'000	*HK$'000*
0-30 days	**8,522**	9,307
31-60 days	**633**	986
Over 60 days	**6,488**	3,536
	15,643	13,829
Analysed for reporting as:		
Trade payables	**15,643**	13,829
Other payables	**28,039**	28,817
	43,682	42,646

DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31st December, 2008 (2007: Nil).

In view of the substantial construction costs outlay for 2009 to 2011 and the present difficult hotel business, the management is trying best endeavour to streamline cashflow in order to the Group's future obligations are met.

BOOK CLOSURE

The register of members will be closed from Monday, 1st June, 2009 to Friday, 5th June, 2009, both dates inclusive, during which period no transfer of shares will be registered. In order to determine the identity of members who are entitled to attend and vote at the Annual General Meeting to be held on Friday, 5th June, 2008, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Share Registrars, Tricor Tengis Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 29th May, 2009.

MANAGEMENT DISCUSSION AND ANALYSIS

During the year under review, the Group through its major subsidiaries, Shun Ho Technology Holdings Limited ("Shun Ho Technology") and Magnificent Estates Limited ("Magnificent Estates"), continued with its operations of property investment, development and operation of hotels.

- For the year ended 31st December 2008, the Group's income 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 by 5% to HK$207 million (2007: HK$198 million). The increase of turnover for the whole year was due to continuous high occupancy and higher room rates and aggressive promotions 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 buildings of Shun Ho Tower, 633 King's Road, 19-23 Austin Avenue and shops from Ramada Hotel Kowloon, Ramada Hong Kong Hotel and Best Western Hotel Taipa, Macau amounted to HK$78 million (2007: HK$32 million). The significant growth was derived from the 633 King's Road office. At the date of this results announcement, it provided an annual rental income of HK$65 million (excluding rates and management fee), with one and a half floors remain vacant.

  Other incomes amounted to HK$15.5 million (2007: HK$16.7 million) which was mostly property management fee income of HK$14 million (2007: HK$5 million).

- Overall service costs, food and beverage and costs of sales for the Group for the year was HK$110 million (2007: HK$98 million), which HK$104 million (2007: HK$96 million) was for the hotel operations and HK$6 million was for leasing commission paid for investment properties. The leasing commissions paid for the leased premises represent total commissions payable for the three years of rental period.

  Other expenses were property management of HK$11 million (2007: HK$5 million). The increase was due to the addition of 633 King's Road.

  Administrative expenses for corporate office including corporate management office including directors' fees, salaries for executive staff and employees, rental, marketing and office expenses for the year was HK$21 million (2007: HK$21 million).

- At 31st December 2008, the overall debt was HK$1,104 million (2007: HK$874 million). Gearing ratio was approximately 37% (2007: 30%) in terms of external bank borrowings of HK$1,044 million (2007: HK$874 million) and HK$60 million (2007: Nil) was advance from a shareholder against funds employed of HK$2,969 million (2007: HK$2,862 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.

- For the year under review, the investment properties such as Shun Ho Tower and shops in Ramada Hotel Kowloon, Ramada Hong Kong Hotel and Best Western Hotel Taipa, Macau remained fully let. It is expected that the rental revenue from these properties will be stable in 2009.

  The leasing of the grade A office building at 633 King's Road was commenced in 2008. As of the date of this announcement, only one and a half floors of the office building with 33 floors and 300,000 sq. ft. are still yet to be leased. The rental income of the Group was significantly increased in the second half of 2008. The annual rental income of HK$65 million of the leased area of the building will be reflected in the year of 2009.

  For the year under review, there was no significant property being disposed of. However, the houses at Gold Coast, New Territories are already available for leasing and rental income.

- For the year under review, the hotel market experienced major difficulties such as the freezing spring, PRC earthquake, credit crunch in PRC, Olympic traveling restrictions and global financial turmoils, however, the turnover for the 4 hotels was amounted to HK$207 million, increased by 5%.

  In the coming year, it is envisaged that the hotel business would be difficult due to the slowdown of world economy thus lesser business travelling. However, 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 will endeavour to maintain the high occupancy but will focus on obtaining higher room rates.

- Since 1st January, 2007, the Group completed the following acquisitions:-

Name of Properties	**Acquisition Cost** *HK$'000*
239-243 Queen's Road West	99,404
245-247 Queen's Road West	104,593
249-251 Queen's Road West	97,401
19-23 Austin Avenue	520,093
30-40 Bowrington Road	238,855
338-346 Queen's Road West	198,000
Total:	**1,258,346**

  The overall acquisition costs of the development sites since 1st January 2007 amounted to HK$1,258 million.

  The above acquisitions provided a valuable opportunity for the Group to develop more than 1,200 hotel rooms in the busiest city locations with significant capital gain and income potentials.

239 -251 Queen's Road Hotel Development

A 435 rooms hotel development has been approved by the relevant authorities, Superstructure construction is expected to begin in June 2009.

Austin Avenue, Tsimshatsui

A 300 rooms hotel development has been approved by the relevant authorities. Foundation piling is expected to commence in May 2009.

Bowrington Road, Causeway Bay

A 265 rooms hotel development has been approved by the relevant authorities, Superstructure construction is in progress and completion expected in Spring 2010.

338 -346 Queen's Road Hotel Development

A 214 rooms hotel development has been approved by the relevant authorities. Foundation works is in progress.

During the year, Shun Ho Technology Group increased its holdings in Mangificent Estates from 50.07% to 56.71%, and subscribed for the convertible bonds of Magnificent Estates for HK$477 million at HK$0.16 per share, upon full conversion of the bonds, Shun Ho Technology Group will increase its holding in Magnificent Estates to 71.09%.

The Board continue to carefully studying various options to lower existing level of the Group's debts.

Looking ahead, significant lowering at bank lending rate from 4% to 0.5%, before the bank's interest spread, will reduce the Group's interest expenses.

Subsequent to the financial year under review, efforts have already made by the Group to lower the Group's staffing level. Administrative and operating expenses are expected to be not more than the year before.

Looking ahead, the management expects 2009 will be a difficult year for hotel operation. The hotels occupancy remain high because of the increasing leisure travelling from the PRC and their further visa relaxation. The hotels room rates have fallen due to the lack of higher yield commercial travellers because of the global economic slowdown. With the many global economic rescue packages announced, the world's economic activities should resume normal at later part of this year. Thus, the management expects higher yield commercial travellers will return in Autumn that will compliment the already busy leisure travelling market which will result in room rates and revenue recovery.

The adverse effect of the temporary hotel business slowdown has been compensating by significant reduction of the Group's interests expenses.

The rental incomes of the commercial buildings and shops are expected to remain stable since the average rental leases are of 3 years.

The slowdown of economic demands and lower inflation have helped to control operating costs and most importantly the lowering of construction costs for the four hotels developments.

The low interest rate environment and tight land supply government policy backs the demand in the local property market that benefits the Group's property portfolio especially the office buildings in Central and North Point.

The management will continue to adopt a conservative approach and will not expect to make further asset acquisitions but to make best endeavour to complete the construction of the 4 new hotels in Hong Kong to increase the earning base and value for the Company.

In view of the substantial construction costs outlay for 2009 to 2011 and the present difficult hotel business, the management is trying best endeavour to streamline cashflow in order to ensure the Group's future obligations are met. As soon as there is hotel business recovery and the office rental incomes continue to be stable, the management will resume annual dividend payments.

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 year.

CORPORATE GOVERNANCE

(a) Compliance with the Code on Corporate Governance Practices

During the year, 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 Listing Rules 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 throughout the year.

REVIEW BY THE AUDIT COMMITTEE

The audit committee has reviewed the audited financial results of the Group for the year ended 31st December, 2008.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated balance sheet, consolidated income statement and the related notes thereto for the year ended 31st December, 2008 as set out in the Preliminary Announcement have been agreed by the Group's auditors, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

By Order of the Board

William CHENG Kai Man
Chairman

Hong Kong, 14th April, 2009

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 Directors, namely 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