SHUN HO TECHNOLOGY HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 219)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2009

RESULTS

The board of directors (the “Board”) of Shun Ho Technology 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, 2009 amounted to HK$144,388,000 (2008: HK$128,401,000). The audited consolidated results of the Group for the year, together with comparative figures for the previous year, are as follows:

Consolidated Statement of Comprehensive Income

For the year ended 31st December, 2009

	NOTES	**2009** *HK$’000*	2008 *HK$’000*
Revenue	*3*	**249,506**	286,191
Cost of sales		**(3,818)**	(4,164)
Other service costs		**(91,327)**	(105,805)
Depreciation of property, plant and equipment and release of prepaid lease payments for land		**(28,094)**	(27,979)
Gross profit		**126,267**	148,243
Increase in fair value of investment properties		**70,210**	24,804
Other income		**15,186**	15,532
Gain (loss) on fair value changes of investments held for trading		**6**	(114)
Administrative expenses			
- Depreciation		**(4,956)**	(4,789)
- Others		**(17,627)**	(19,378)
		(22,583)	(24,167)
Other expenses		**(12,314)**	(11,351)
Finance costs	*5*	**(8,423)**	(17,680)
Profit before taxation	*6*	**168,349**	135,267
Income tax expense	*7*	**(23,961)**	(6,866)
Profit for the year		**144,388**	128,401

Consolidated Statement of Comprehensive Income (continued)

For the year ended 31st December, 2009

	NOTE	2009 HK$'000	2008 HK$'000
Other comprehensive expense			
Exchange differences arising on translation of foreign operations		**5,332**	2,980
Fair value loss on available-for-sale investments		**(25,667)**	(26,918)
		(20,335)	(23,938)
Total comprehensive income for the year		**124,053**	104,463
Profit for the year attributable to:			
Owners of the Company		**84,129**	69,754
Non-controlling interests		**60,259**	58,647
		144,388	128,401
Total comprehensive income attributable to:			
Owners of the Company		**74,165**	59,070
Non-controlling interests		**49,888**	45,393
		124,053	104,463
		HK cents	HK cents
Earnings per share	8		
Basic		**18.4**	15.3
Diluted		**18.4**	15.3

Consolidated Statement of Financial Position

At 31st December, 2009

	NOTES	2009 HK$'000	2008 HK$'000
Non-Current Assets			
Property, plant and equipment		**395,070**	418,522
Prepaid lease payments for land		**1,288,440**	1,301,432
Investment properties		**1,987,790**	1,917,580
Property under development		**843,299**	741,914
Available-for-sale investments		**53,366**	79,033
Deposit on acquisition of property, plant and equipment		**-**	167
		4,567,965	4,458,648
Current Assets			
Inventories		**647**	814
Properties held for sale		**21,650**	21,650
Investments held for trading		**7**	1
Prepaid lease payments for land		**12,383**	12,409
Trade and other receivables	*9*	**11,262**	18,890
Other deposits and prepayments		**4,570**	5,398
Amount due from a shareholder		**29**	28
Tax recoverable		**3,301**	3,197
Pledged bank deposits		**110**	110
Time deposits		**-**	2,500
Bank balances and cash		**36,731**	19,917
		90,690	84,914
Assets classified as held for sale		**4,853**	-
		95,543	84,914
Current Liabilities			
Trade and other payables	*10*	**24,667**	42,465
Rental and other deposits received		**12,709**	4,053
Advance from a shareholder		**2,721**	13,854
Advance from ultimate holding company		**60,917**	60,427
Tax liabilities		**10,355**	7,321
Bank loans		**567,425**	181,914
		678,794	310,034
Liabilities associates with assets classified as held for sale		**353**	-
		679,147	310,034
Net Current Liabilities		**(583,604)**	(225,120)
Total Assets less Current Liabilities		**3,984,361**	4,233,528
Capital and Reserves			
Share capital		**268,538**	268,538
Share premium and reserves		**1,774,952**	1,690,797
Equity attributable to owners of the Company		**2,043,490**	1,959,335
Non-controlling interests		**1,124,746**	1,074,858
		3,168,236	3,034,193
Non-Current Liabilities			
Rental deposits received		**18,102**	26,055
Bank loans		**476,000**	862,425
Deferred tax liabilities		**322,023**	310,855
		816,125	1,199,335
		3,984,361	4,233,528

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 (the "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. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied a number of new and revised Hong Kong Accounting Standards ("HKAS"), amendments and Hong Kong (IFRIC) Interpretations ("HK(IFRIC) - Int") ("new and revised HKFRSs") issued by the HKICPA. Except as described below, the adoption of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

HKAS 1 (Revised 2007) *"Presentation of Financial Statements"*

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the consolidated financial statements) and changes in the format and content of the consolidated financial statements.

HKFRS 8 *"Operating Segments"*

HKFRS 8 is a disclosure standard that has resulted in a redesignation of the Group's reportable segments. However, there are no changes in the basis of measurement of segment revenue, segment profit or loss, segment assets and segment liabilities.

Improving Disclosures about Financial Instruments
(Amendments to HKFRS 7 *"Financial Instruments: Disclosures"*)

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments.

The directors of the Company anticipate that the application of the other new and revised standards, amendments or interpretations will have no material impact on the consolidated financial statements.

3. REVENUE

	2009	2008
	HK$'000	*HK$'000*
Income from operation of hotels	**162,397**	207,135
Property rental	**87,109**	78,345
Interest from debt securities	**-**	671
Dividend	**-**	40
	249,506	286,191

4. SEGMENT INFORMATION

The Group's operating and reportable segments under HKFRS 8 are as follows:

1. Hospitality services - Ramada Hotel Kowloon
2. Hospitality services - Ramada Hong Kong Hotel
3. Hospitality services - Best Western Hotel Taipa, Macau
4. Hospitality services - Magnificent International Hotel, Shanghai
5. Property investment - 633 King's Road
6. Property investment - Shun Ho Tower
7. Property investment - 19-23 Austin Avenue (Note)
8. Property investment - Shops
9. Securities investment and trading
10. Property development - 239-251 Queen's Road West
11. Property development - 19-23 Austin Avenue (Note)
12. Property development - 30-40 Bowrington Road
13. Property development - 338-346 Queen's Road West

Note: In prior year, the property situated at 19-23 Austin Avenue previously held as investment properties was transferred to the balance of property under development for the redevelopment into a hotel.

4. SEGMENT INFORMATION (continued)
Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment for the years:

	Segment revenue		Segment profit (loss)	
	2009	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hospitality services	**162,397**	207,135	**40,430**	75,429
- Ramada Hong Kowloon	**49,095**	61,504	**5,262**	14,362
- Ramada Hong Kong Hotel	**60,994**	80,294	**22,262**	37,731
- Best Western Hotel Taipa, Macau	**38,213**	45,004	**12,767**	18,451
- Magnificent International Hotel, Shanghai	**14,095**	20,333	**139**	4,885
Property investment	**87,109**	78,345	**156,047**	96,907
- 633 King's Road	**61,264**	48,514	**80,223**	72,021
- Shun Ho Tower	**16,952**	14,364	**51,631**	23,181
- 19-23 Austin Avenue (note)	**-**	5,635	**-**	8,073
- Shops	**8,893**	9,832	**24,193**	(6,368)
Securities investment and trading	**-**	711	**6**	597
Property development	**-**	-	**-**	-
- 239-251 Queen's Road West	**-**	-	**-**	-
- 19-23 Austin Avenue (note)	**-**	-	**-**	-
- 30-40 Bowrington Road	**-**	-	**-**	-
- 338-346 Queen's Road West	**-**	-	**-**	-
	249,506	286,191	**196,483**	172,933
Other income			**15,186**	15,532
Other expenses			**(12,314)**	(11,351)
Unallocated administration costs and directors' salaries			**(22,583)**	(24,167)
Finance costs			**(8,423)**	(17,680)
Profit before taxation			**168,349**	135,267

Note: In prior year, the property situated at 19-23 Austin Avenue previously held as investment properties was transferred to the balance of property under development for the redevelopment into a hotel.

Geographical information

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

	2009	2008
	HK$'000	*HK$'000*
Hong Kong	**194,763**	218,419
Macau	**40,648**	47,439
The People's Republic of China (the "PRC")	**14,095**	20,333
	249,506	286,191

5. FINANCE COSTS

	2009	2008
	HK$'000	*HK$'000*
Interests on :		
Bank loans wholly repayable within five years	**18,489**	28,818
Advance from ultimate holding company wholly repayable within five years	**704**	1,427
Advance from a shareholder wholly repayable within five years	**150**	451
Other	**34**	7
	19,377	30,703
Less: amount capitalised in property under development	**(10,954)**	(13,023)
	8,423	17,680

6. PROFIT BEFORE TAXATION

	2009	2008
	HK$'000	*HK$'000*
Profit before taxation has been arrived at after charging (crediting):		
Auditor's remuneration	**2,096**	2,096
Staff costs including directors' emoluments	**63,940**	67,399
Depreciation of property, plant and equipment	**21,011**	20,703
Release of prepaid lease payments for land	**18,328**	18,161
Less: amount capitalised and included in property under development	**(6,289)**	(6,096)
	12,039	12,065
Operating lease rental in respect of rented premises and equipment	**198**	211
Gross rental income from investment properties	**(87,109)**	(78,345)
Less: Direct operating expenses from investment properties that generated rental income during the year	**1,272**	6,242
	(85,837)	(72,103)

7. INCOME TAX EXPENSE

	2009	2008
	HK$'000	*HK$'000*
The taxation charge comprises:		
Current tax		
Hong Kong	**11,468**	11,292
The PRC	**-**	1,010
Other jurisdiction	**1,030**	1,712
	12,498	14,014
Overprovision in prior years		
Hong Kong	**(49)**	(487)
Other jurisdiction	**-**	(255)
	(49)	(742)
Deferred tax		
Current year	**11,512**	11,724
Attributable to a change in tax rate	**-**	(18,130)
	11,512	(6,406)
	23,961	6,866

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit for the year attributable to owners of the Company of HK$84,129,000 (2008: HK$69,754,000) and on 457,486,000 (2008: 456,117,000) 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.

Any outstanding mandatory convertible bonds ("Bonds") of Magnificent Estates Limited are mandatorily convertible into ordinary shares of Magnificent Estates Limited on 13th April, 2011 (the maturity date). For the year ended 31st December, 2008 and 2009, the computation of diluted earnings per share had not assumed the effect of mandatory conversion of the Bonds which would result in an increase in earnings per share.

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 presented based on the invoice date at the end of the reporting period:

	2009	2008
	HK'000	*HK'000*
Not yet due	**3,729**	9,494
0-30 days	**5,556**	6,772
31-60 days	**960**	634
Over 60 days	**6**	96
	10,251	16,996
Analysed for reporting as:		
Trade receivables	**10,251**	16,996
Other receivables	**1,011**	1,894
	11,262	18,890

10. TRADE AND OTHER PAYABLES

The following is an aged analysis of the Group's trade payables presented based on the invoice date at the end of the reporting period:

	2009	2008
	HK'000	*HK'000*
0-30 days	**7,826**	8,522
31-60 days	**1,237**	633
Over 60 days	**369**	6,488
	9,432	15,643
Analysed for reporting as:		
Trade payables	**9,432**	15,643
Other payables	**15,235**	26,822
	24,667	42,465

DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31st December, 2009 (2008: Nil).

In view of the substantial construction costs outlay for 2010 to 2011, the management is trying best endeavour to streamline cashflow in order to ensure the Group's future obligations are met.

BOOK CLOSURE

The register of members will be closed from Monday, 31st May, 2010 to Thursday, 3rd June, 2010, 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 Thursday, 3rd June, 2010, 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, 28th May, 2010.

MANAGEMENT DISCUSSION AND ANALYSIS

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

- For the year ended 31st December, 2009, the Group's income was mostly derived from the aggregate of income from operation of hotels and properties rental income.

  The income from operation of hotels decreased by 22% to HK$162 million (2008: HK$207 million). Despite continuous high occupancy, the decrease of hotel turnover for the whole year was due to lower room rates and loss of business travelers suffering from the global recession which affected 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 and shops from Ramada Hotel Kowloon, Ramada Hong Kong Hotel and Best Western Hotel Taipa, Macau amounted to HK$87 million (2008: HK$78 million). The growth was derived from 633 King's Road. At the date of this announcement, it provided an annual rental income of HK$71 million (excluding rates and management fee). However, rental income was affected by the demolition of Swire & Maclaine House.

  Other income amounted to HK$15.2 million (2008: HK$15.5 million) which was mostly property management fee income of HK$14 million (2008: HK$14 million).

- Overall service costs for the Group for the year was HK$95 million (2008: HK$110 million), which HK$94 million (2008: HK$104 million) was for the hotel operations including food and beverage and costs of sales and HK$1 million (2008: 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$12 million (2008: HK$11 million).

Administrative expenses for corporate office including directors' fees, salaries for executive staff and employees, rental, marketing and office expenses for the year was HK$18 million (2008: HK$19 million).

- At 31st December, 2009, the overall debt was HK$1,107 million (2008: HK$1,118 million). Gearing ratio was approximately 35% (2008: 37%) in terms of bank borrowings of HK$1,043 million (2008: HK$1,044 million) and HK$64 million (2008: HK$74 million) was advance from shareholders against funds employed of HK$3,168 million (2008: HK$3,034 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 have modest increase in 2010.

  As at the date of this announcement, the leasing of the grade A office building at 633 King's Road achieved HK$71 million (excluding rates and management fee) per annum. The management envisages the office building will have modest rental increase in 2010 as most leases are due for renewal.

  For the year under review, there was no significant property being disposed of. 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 global financial turmoils and the flu epidemic, the turnover for the four hotels was amounted to HK$162 million, decreased by 22%.

  In the coming year, it is envisaged that the hotel business would be improving due to the recovery of world economy thus more business travelling. 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.

  Nos. 239 -251 Queen's Road West Hotel Development

  A 435 rooms hotel development has been approved by the relevant authorities. Foundation work was completed. Superstructure construction contract has been awarded. The recent commencement of the Western MTR Line will improve future value of this property significantly.

  Nos. 338 -346 Queen's Road West Hotel Development

  A 214 serviced apartments hotel development is approved to be built. Foundation contract was already awarded. Approval has been obtained to increase the plot ratio from 12 to 13.2 with no premium payment required. The recent commencement of the Western MTR Line will improve future value of this property significantly.

Nos. 19-23 Austin Avenue, Tsimshatsui

Approval has been obtained to increase from 300 rooms to 400 rooms hotel development. Foundation piling was completed. Commencement of superstructure construction is expected to begin this Autumn.

Nos. 30-40 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 Summer 2010. The new hotel will be named as the Best Western Hotel, Causeway Bay.

In 2008, the Group increased its holdings in Magnificent 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, the Group will increase its holding in Magnificent Estates to 71.09%.

During the financial year under review, efforts have already made by the Group to lower the Group's staffing level. Administrative and operating expenses have successfully been lowered by 8%.

Looking ahead, significant lowering of bank lending rate from 4% to 0.05%, before bank's interest spreads, will reduce the Group's interest expenses.

Looking ahead, the management expects 2010 will be a much improved 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 will increase due to the return of higher yield commercial travellers because of the global economic recovery. The first three months of 2010 of the hotels revenue have increased by 10% compared with last year 2009. With the signs of many global economic recovery, 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 trade fair seasons that will compliment the already busy leisure travelling market which will result in room rates and revenue recovery.

The improving hotel business will help to increase the Group's overall turnover.

The rental incomes of the commercial buildings and shops are expected to enjoy modest increase since most leases are due for renewal in 2010/2011.

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 hotel developments.

The low interest rate environment and tight land supply government policy back the demand in the local property market that benefits the Group's property portfolio especially the office buildings in Central and North Point. The conservative 18% debt ratio ensures the Group's stability over any further unforeseeable global financial turmoils.

The management will continue to adopt a conservative approach and to make best endeavour to complete the construction of the four new hotels in Hong Kong to substantially increase the earning base and value for the Group. In view of the substantial construction costs outlay for 2010 to 2011, the management is trying best endeavour to streamline cashflow in order to ensure the Group's future obligations are met.

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 27^{th} 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, 2009.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31st December, 2009 as set out in the preliminary announcement have been agreed by the Group's auditor, 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, 9th April, 2010

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.