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SHUN HO HOLDINGS LIMITED

順豪控股有限公司

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

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE, 2026

RESULTS

The board (the “Board”) of directors (the “Directors”) of Shun Ho Holdings Limited (the “Company”) announces that the net loss after tax attributable to owners of the Company for the six months ended 30th June, 2026 was HK\$28.2 million (six months ended 30th June, 2025: HK\$79.4 million), decreased by HK\$51.2 million. The unaudited consolidated results of the Company and its subsidiaries (together the “Group”) for the period, together with comparative figures for the previous period, are presented below.

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30th June, 2026

	NOTES	Six months ended	
		30.6.2026 HK\$'000 (Unaudited)	30.6.2025 HK\$'000 (Unaudited)
Revenue	3		
Contracts with customers		281,829	268,032
Leases		57,492	66,281
Dividend income		<u>50</u>	<u>25</u>
Total revenue		339,371	334,338
Cost of sales		(2,369)	(2,234)
Other services costs		(165,201)	(176,964)
Depreciation of property, plant and equipment		(81,041)	(81,065)
Depreciation of right-of-use asset		<u>(413)</u>	<u>(384)</u>
Gross Profit		90,347	73,691
Net decrease in fair value of investment properties		(68,294)	(154,800)
Other income and expenses and gains and losses		2,580	2,416
Administrative expenses		(33,205)	(30,842)
- Depreciation		(6,023)	(2,127)
- Others		(27,182)	(28,715)
Finance costs	5	<u>(18,741)</u>	<u>(25,542)</u>
Loss before taxation		(27,313)	(135,077)
Income tax expense	6	<u>(17,753)</u>	<u>(12,484)</u>
Loss for the period	7	<u>(45,066)</u>	<u>(147,561)</u>
Loss for the period attributable to:			
Owners of the Company		(28,221)	(79,376)
Non-controlling interests		<u>(16,845)</u>	<u>(68,185)</u>
		<u>(45,066)</u>	<u>(147,561)</u>
		HK cents	HK cents
Loss per share	8		
Basic		<u>(11.67)</u>	<u>(32.83)</u>

Condensed Consolidated Statement of Total Comprehensive Income*For the six months ended 30th June, 2026*

	Six months ended	
	30.6.2026	30.6.2025
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period	<u>(45,066)</u>	<u>(147,561)</u>
Other comprehensive (expense) income		
Item that will not be reclassified to profit or loss		
Fair value (loss) gain on investments in equity instruments at fair value through other comprehensive income ("FVTOCI")	(54)	101
Revaluation surplus regarding transfer from property, plant and equipment at cost to investment property at fair value	<u>27,961</u>	<u>-</u>
	<u>27,907</u>	<u>101</u>
Item that may be reclassified subsequently to profit or loss		
Exchange differences arising on translation of foreign operations	<u>(6,313)</u>	<u>121,222</u>
Other comprehensive income for the period	<u>21,594</u>	<u>121,323</u>
Total comprehensive expense for the period	<u><u>(23,472)</u></u>	<u><u>(26,238)</u></u>
Total comprehensive (expense) income attributable to:		
Owners of the Company	(15,465)	(32,433)
Non-controlling interests	<u>(8,007)</u>	<u>6,195</u>
	<u><u>(23,472)</u></u>	<u><u>(26,238)</u></u>

Condensed Consolidated Statement of Financial Position

At 30th June, 2026

	NOTES	30.6.2026 HK\$'000 (Unaudited)	31.12.2025 HK\$'000 (Audited)
Non-Current Assets			
Property, plant and equipment		4,494,318	4,581,934
Right-of-use asset		22,410	21,842
Investment properties		4,273,593	4,314,280
Equity instruments at FVTOCI		<u>717</u>	<u>771</u>
		8,791,038	8,918,827
Current Assets			
Inventories		1,337	1,369
Trade and other receivables	9	11,835	17,811
Other deposits and prepayments		15,554	15,974
Bank balances and cash		<u>351,934</u>	<u>267,713</u>
		380,660	302,867
Current Liabilities			
Trade and other payables and accruals	10	49,995	65,695
Rental and other deposits received		6,484	11,173
Contract liabilities		9,466	10,709
Amount due to a fellow subsidiary		52,327	50,722
Amount due to a shareholder		5,088	5,088
Tax liabilities		18,876	9,817
Bank loans		<u>313,200</u>	<u>113,200</u>
		455,436	266,404
Net Current (Liabilities) Assets		(74,776)	36,463
Total Assets less Current Liabilities		8,716,262	8,955,290
Capital and Reserves			
Share capital		172,252	172,252
Reserves		<u>3,788,548</u>	<u>3,804,013</u>
Equity attributable to owners of the Company		3,960,800	3,976,265
Non-controlling interests		<u>4,057,218</u>	<u>4,065,225</u>
Total Equity		8,018,018	8,041,490
Non-Current Liabilities			
Bank loans		497,862	716,435
Rental deposits received		17,792	15,133
Deferred tax liabilities		<u>182,590</u>	<u>182,232</u>
		698,244	913,800
		8,716,262	8,955,290

NOTES:

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial information relating to the year ended 31st December, 2025 that is included in these condensed consolidated financial statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements is as follows:

The Company has delivered the financial statements for the year ended 31st December, 2025 to the Register of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th June, 2026 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31st December, 2025.

The application of all amendments to HKFRS Accounting Standards issued by the HKICPA are disclosed below.

2. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1st January, 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards - Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE

Revenue represents the aggregate of income from operation of hotels, property rental and dividend income, and is analysed as follows:

	Six months ended	
	30.6.2026 <i>HK\$'000</i> (Unaudited)	30.6.2025 <i>HK\$'000</i> (Unaudited)
Income from operation of hotels	281,829	268,032
Income from property rental	57,492	66,281
Dividend income	<u>50</u>	<u>25</u>
	<u>339,371</u>	<u>334,338</u>

4. SEGMENT INFORMATION

The Group's operating and reportable segments, based on the information reported to the chief operating decision maker (the "CODM"), being the Chairman of the Company, for the purpose of resources allocation and performance assessment are as follows:

1. Hospitality services - Best Western Plus Hotel Kowloon
2. Hospitality services - Best Western Plus Hotel Hong Kong
3. Hospitality services - Magnificent International Hotel, Shanghai
4. Hospitality services - Best Western Hotel Causeway Bay
5. Hospitality services - Ramada Hong Kong Harbour View
6. Hospitality services - Ramada Hong Kong Grand
7. Hospitality services - Ramada Hong Kong Grand View
8. Hospitality services - Wood Street Hotel
9. Hospitality services - Grand Bay View Hotel
10. Property investment - 633 King's Road
11. Property investment - Shun Ho Tower
12. Property investment - Shops, hotel and residential properties
13. Securities investment

Information regarding the above segments is reported below.

4. SEGMENT INFORMATION (Continued)

Segment revenue and results

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

	<u>Segment revenue</u>		<u>Segment results</u>	
	<u>Six months ended</u>		<u>Six months ended</u>	
	30.6.2026	30.6.2025	30.6.2026	30.6.2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Hospitality services	281,829	268,032	34,276	9,353
- Best Western Plus Hotel Kowloon	27,710	26,944	(1,718)	(2,729)
- Best Western Plus Hotel Hong Kong	42,683	40,828	16,879	13,093
- Magnificent International Hotel, Shanghai	13,581	12,359	3,271	2,882
- Best Western Hotel Causeway Bay	26,033	24,526	2,026	(542)
- Ramada Hong Kong Harbour View	44,509	41,567	17,443	12,242
- Ramada Hong Kong Grand	43,256	40,515	6,217	1,181
- Ramada Hong Kong Grand View	37,926	36,794	5,135	3,352
- Grand Bay View Hotel	46,131	44,499	(14,977)	(20,126)
Property investments	57,492	66,281	(12,273)	(90,487)
- 633 King's Road	21,845	31,106	(36,345)	(90,642)
- Shun Ho Tower	6,760	6,925	(6,821)	(21,395)
- Shops, hotel and residential properties	28,887	28,250	30,893	21,550
Securities investment	50	25	50	25
	<u>339,371</u>	<u>334,338</u>	22,053	(81,109)
Other income and expenses and gains and losses			2,580	2,416
Administrative expenses			(33,205)	(30,842)
Finance costs			<u>(18,741)</u>	<u>(25,542)</u>
Loss before taxation			<u>(27,313)</u>	<u>(135,077)</u>

5. FINANCE COSTS

	Six months ended	
	30.6.2026	30.6.2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Interests on:		
Bank loans	16,959	23,819
Amount due to a fellow subsidiary	<u>1,782</u>	<u>1,723</u>
	<u>18,741</u>	<u>25,542</u>

6. INCOME TAX EXPENSE

	Six months ended	
	30.6.2026	30.6.2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
The taxation expense comprises:		
Current tax:		
Hong Kong	11,616	9,410
The PRC	788	-
The United Kingdom (the "UK")	<u>4,626</u>	<u>4,231</u>
	<u>17,030</u>	<u>13,641</u>
Underprovision in prior years:		
Hong Kong	-	111
The PRC	<u>365</u>	<u>-</u>
	<u>365</u>	<u>111</u>
	17,395	13,752
Deferred tax	<u>358</u>	<u>(1,268)</u>
	<u>17,753</u>	<u>12,484</u>

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The annual tax rate used is 16.5% for the six months ended 30th June, 2026 (six months ended 30th June, 2025: 16.5%).

Taxation arising in the PRC and the UK are recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year prevailing in the relevant jurisdictions.

7. LOSS FOR THE PERIOD

Six months ended	
30.6.2026	30.6.2025
HK\$'000	HK\$'000
(Unaudited)	(Unaudited)

Loss for the period has been arrived at after charging (crediting) the following items:

Depreciation of right-of-use asset	413	384
Depreciation of property, plant and equipment	87,064	83,192
Interest income from bank deposits (Note)	(2,063)	(1,487)
Loss on disposal of property, plant and equipment (Note)	<u>1</u>	<u>82</u>

Note: The amounts are included in other income and expenses and gains and losses.

8. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the period attributable to owners of the Company of HK\$28,221,000 (six months ended 30th June, 2025: HK\$79,376,000) and on 241,766,000 shares (six months ended 30th June, 2025: 241,766,000 shares) in issue during the period. The number of shares adopted in the calculation of the loss per share has been arrived at after eliminating the shares in the Company held by a subsidiary of the Company.

Diluted loss per share for both periods are not presented as there are no potential ordinary shares exist during both periods.

9. TRADE AND OTHER RECEIVABLES

	As at 30.6.2026 <i>HK\$'000</i> (Unaudited)	As at 31.12.2025 <i>HK\$'000</i> (Audited)
Trade receivables from contracts with customers	5,038	10,626
Lease receivables	989	2,506
Other receivables	<u>5,808</u>	<u>4,679</u>
	<u>11,835</u>	<u>17,811</u>

Except for a credit period of 30 to 60 days granted to travel agencies and certain 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 from contracts with customers and lease receivables presented based on the invoice date at the end of the reporting period:

	As at 30.6.2026 <i>HK\$'000</i> (Unaudited)	As at 31.12.2025 <i>HK\$'000</i> (Audited)
Not yet due	5,918	12,737
Overdue:		
0 – 30 days	79	308
31 – 60 days	23	74
61 – 90 days	<u>7</u>	<u>13</u>
	<u>6,027</u>	<u>13,132</u>

10. TRADE AND OTHER PAYABLES AND ACCRUALS

	As at 30.6.2026 <i>HK\$'000</i> (Unaudited)	As at 31.12.2025 <i>HK\$'000</i> (Audited)
Trade payables	4,277	4,179
Other payables and accruals	<u>45,718</u>	<u>61,516</u>
	<u>49,995</u>	<u>65,695</u>

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:

	As at 30.6.2026 <i>HK\$'000</i> (Unaudited)	As at 31.12.2025 <i>HK\$'000</i> (Audited)
0 – 30 days	4,269	4,167
31 – 60 days	8	5
61 – 90 days	<u>-</u>	<u>7</u>
	<u>4,277</u>	<u>4,179</u>

INTERIM DIVIDEND

In deciding whether to distribute the interim dividend and its amount, the Board of directors of the Company has reviewed the Company's adopted dividend policy and does not recommend the payment of interim dividend for the six months ended 30th June, 2026 (six months ended 30th June, 2025: Nil), mainly because the Company received no cash dividend income from its major subsidiary, Shun Ho Property Investments Limited ("Shun Ho Property").

MANAGEMENT DISCUSSION AND ANALYSIS

During the period, the Group through its major subsidiaries continued with its commercial property investment, property leasing and property development, and hotel investments and hotel management.

The net loss after tax attributable to owners of the Company for the six months ended 30th June, 2026 was HK\$28.2 million (six months ended 30th June, 2025: HK\$79.4 million), decreased by HK\$51.2 million (-64%).

PERFORMANCE

1. Hotel Business

The income from hotel operations of the Group amounted to HK\$282 million (six months ended 30th June, 2025: HK\$268 million), increased by 5%.

The Group owns 66.18% of Shun Ho Property which holds 71.09% of Magnificent Hotel Investments Limited ("Magnificent Hotel", together with its subsidiaries, "Magnificent Hotel Group") as its hotel investment subsidiary. The Group and Magnificent Hotel Group presently own nine hotels, including: (1) Ramada Hong Kong Grand View, (2) Ramada Hong Kong Harbour View, (3) Best Western Plus Hotel Kowloon, (4) Best Western Plus Hotel Hong Kong, (5) Ramada Hong Kong Grand, (6) Best Western Hotel Causeway Bay, (7) Grand Bay View Hotel, (8) Magnificent International Hotel, Shanghai and (9) Royal Scot Hotel in London. The nine hotels have about 3,042 guest rooms and the Group is one of the largest hotel groups in Hong Kong.

The net profit after tax attributable to owners of Magnificent Hotel for the six months ended 30th June, 2026 was HK\$14.4 million (loss for six months ended 30th June, 2025: HK\$15.2 million).

	Six months ended		
	30.6.2026	30.6.2025	Change
	HK\$'000	HK\$'000	
	(unaudited)	(unaudited)	
Profit from operation of hotels	31,771	8,631	+268%
Profit from property investment	27,478	20,380	+35%
Income from securities investments	50	25	+100%
Other income and gain and losses	<u>1,839</u>	<u>1,615</u>	+14%
	61,138	30,651	+99%
Administrative expenses	(20,869)	(22,205)	-6%
Finance costs	(12,002)	(17,177)	-30%
Income tax expense	<u>(13,306)</u>	<u>(6,654)</u>	+100%
Profit (loss) after taxation	14,961	(15,385)	N/A
Non-controlling interests	<u>(563)</u>	<u>187</u>	N/A
Profit (loss) after taxation and non-controlling interests	<u>14,398</u>	<u>(15,198)</u>	N/A

The overall increase in profit for the Magnificent Hotel Group for the six months ended 30th June, 2026 was mainly due to increase in revenue, and decrease in hotel operating costs, finance costs and revaluation loss.

During the period, the total income for the Magnificent Hotel Group increased by 5% from approximately HK\$258 million to approximately HK\$272 million compared with last period.

As at 30th June, 2026, an independent third-party valuation of Royal Scot Hotel, London was GBP88,700,000 (as at 31st December, 2025: GBP88,500,000). The rental income of Royal Scot Hotel, London for the period was GBP2,362,000 (six months ended 30th June, 2025: GBP2,362,000).

2. Commercial Properties Rental Income

The commercial properties rental income was derived from the hotel property in UK, Royal Scot Hotel in London, office buildings of Shun Ho Tower, 633 King's Road and shops from Best Western Plus Hotel Kowloon and Best Western Plus Hotel Hong Kong amounted to HK\$57 million (six months ended 30th June, 2025: HK\$66 million).

As at 30th June, 2026, the occupancy rates of the Hong Kong commercial properties of the Group are as follows:

Shun Ho Tower	93%
633 King's Road	78%

The rental income of these two commercial properties decreased from HK\$38 million to HK\$29 million compared with last period (-24%).

During the period, the **ADMINISTRATIVE EXPENSES** excluding depreciation was HK\$27.2 million (six months ended 30th June, 2025: HK\$28.7 million).

LIQUIDITY

As at 30th June, 2026, the **OVERALL DEBTS** of the Group including Shun Ho Property and Magnificent Hotel and their subsidiaries were HK\$868 million (31st December, 2025: HK\$885 million). The gearing ratio of the Group in terms of overall debts against funds employed was 11% (31st December, 2025: 11%).

The Group's bank borrowings carry interest at floating rates and are mainly denominated in Hong Kong dollar and Pound Sterling. Accordingly, the Group exposes to exchange risk and the management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

As at 30th June, 2026, the Group had a total number of 644 employees (31st December, 2025: 572 employees). Remuneration and benefit were set with reference to the market.

BUSINESS HIGHLIGHTS

During the six months ended 30th June, 2026, the number of overnight visitors in Hong Kong amounted to around 11.5 million (30th June, 2025: 11.3 million) and against 29 million in 2018, among which 66% were mainland visitors and 34% were non-mainland visitors. Per-capita spending of mainland overnight visitors remained low at HK\$5,300 as compared to HK\$6,000 in 2019 pre-pandemic year. The pace of recovery of the tourism industry continues to be affected by declining per-capita spending of mainland visitors. The percentage of tourists spending overnights in Hong Kong in first six months continues to drop from 48% last year to 43% this year. This falling trend indicates that the neighbouring Shenzhen has more advantageous attractions such as tourism hardware, prices, and service quality that attract tourists to stay overnights.

Throughout the period, the Group achieved an average hotel occupancy rate of over 90%. Compared with last period, the hotel income of the Group increased by 5% to HK\$282 million and the total income of the Group increased by 2% to HK\$339 million.

The Group acquired Wood Street Police Headquarter building in the centre of City of London for GBP40 million on 29th January, 2020 which has a gross internal area of 117,472 s.f. on a 20,000 s.f. island site and obtained planning consents approval to refurbish a deluxe hotel of about 216 guest rooms, restaurant, bar and facilities. Initial phase of works have commenced.

LOOKING AHEAD

The Group has nine income producing hotels, seven in Hong Kong, one in Shanghai, one in London, and the Wood Street Hotel refurbishment project in London.

With the weak economy of the PRC, more PRC tourists choose to stay in the Greater Bay area and visit Hong Kong on day trips. In addition, the negative effects of the ongoing Gulf War, which are causing travellers to cancel trips, together with the slowdown of the global economy and inflation driven by high energy prices, are expected to further dampen travel demand.

Most of the tenants at the Group's 633 King's Road office building and Shun Ho Tower are multinational trading companies. Due to the US/China trade war and downturn of Hong Kong's import/export volumes, those trading company tenants are experiencing difficulties and therefore the occupancies are being affected.

Future prospects of the hotel business and rental incomes may continue to be challenging and unstable. The management will keep its effort to increase incomes and control costs.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30th June, 2026.

CORPORATE GOVERNANCE

(a) Compliance with the Corporate Governance Code

During the six months ended 30th June, 2026, the Company has complied with all applicable code provisions of the Corporate Governance Code set out in Appendix C1 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited with the exception of the following deviation:

Code Provision C.2.1: chairman and chief executive should not be performed by the same individual

The Company does not have separate appointments for the Chairman and the Chief Executive Officer. Mr. William Cheng Kai Man holds both positions. The Board believes that vesting the roles of both the Chairman and the Chief Executive Officer in the same person enables the Company to have a stable and consistent leadership. It also facilitates planning and execution of the Company’s strategy and is hence, for the interests of the Company and its shareholders. It is also significantly cost-saving for Mr. Cheng, the Chairman to also serve as the Chief Executive Officer, which would have otherwise been recruited from the market at a heavy cost.

(b) Compliance with the Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules (the “Model Code”) as the code of conduct regarding securities transactions by Directors. All Directors have confirmed, following specific enquiry by the Company, their compliance with the required standard set out in the Model Code throughout the period.

REVIEW BY THE AUDIT COMMITTEE

The audit committee has reviewed the unaudited financial results of the Group for the six months ended 30th June, 2026.

By Order of the Board

William CHENG Kai Man
Chairman

Hong Kong, 26th August, 2026

As at the date hereof, the Board of the Company comprises four Executive Directors, namely Mr. William Cheng Kai Man (Chairman), Mr. Albert Hui Wing Ho, Madam Kimmy Lau Kam May and Madam Ng Yuet Ying; one Non-executive Director, namely, Madam Mabel Lui Fung Mei Yee; and three Independent Non-executive Directors, namely, Mr. Chan Kim Fai, Mr. Lam Kwai Cheung and Mr. Warren Liu Yuk Cho.