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**MAGNIFICENT  
ESTATES LIMITED**

華大地產投資有限公司

*(incorporated in Hong Kong with  
limited liability)*

**(Stock Code: 201)**

**Major  
Transaction**



**SHUN HO  
TECHNOLOGY  
HOLDINGS LIMITED**

順豪科技控股有限公司

*(incorporated in Hong Kong with  
limited liability)*

**(Stock Code: 219)**

**Very Substantial  
Disposal**



**SHUN HO  
RESOURCES  
HOLDINGS LIMITED**

順豪資源集團有限公司

*(incorporated in Hong Kong with  
limited liability)*

**(Stock Code: 253)**

**Very Substantial  
Disposal**

**ANNOUNCEMENT  
DISPOSAL OF SUBSIDIARIES HOLDING INTEREST IN HOTEL  
AND  
RESUMPTION OF TRADING**

On 20 December 2013 (after trading hours), the Vendor, a wholly-owned subsidiary of Magnificent Estates entered into the Agreement with the Purchaser, an Independent Third Party for the disposal of the Sale Shares and Sale Loan at an aggregate Consideration of HK\$900,000,000.

The Sale Shares comprise the entire issued share capital of Himson Enterprises and Longham Investment. The Sale Loan in the sum of HK\$28,759,000 is currently owed by Himson Enterprises and Longham Investment to the Vendor. Himson Enterprises and Longham Investment respectively hold 70% and 30% interests in Grand-Invest which in turn owns 100% interest in the Hotel.

As at the date of this announcement, Shun Ho Resources controls approximately 52.49% of the total voting rights of Shun Ho Technology, which in turn controls approximately 71.09% of the total voting rights of Magnificent Estates. Magnificent Estates, Shun Ho Technology and Shun Ho Resources are all listed on the Stock Exchange.

In respect of Shun Ho Resources and Shun Ho Technology, as one of the applicable percentage ratios for the Disposal exceeds 75%, the Disposal constitutes a very substantial disposal under the Listing Rules and, therefore, is subject to reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. Pursuant to Rule 14.49 of the Listing Rules, the Disposal is subject to approval by Shun Ho Resources Shareholders and Shun Ho Technology Shareholders at their shareholders meetings respectively.

Mr. William Cheng Kai Man, the Chairman of the Board of Shun Ho Resources, who is, through Trillion Resources, in control of more than 50% of the voting rights of Shun Ho Resources, has informed the Board of Shun Ho Resources that Trillion Resources (which is wholly-owned by Mr. William Cheng Kai Man), which beneficially owns 154,006,125 Shun Ho Resources Shares, representing approximately 50.60% of the nominal value of the securities giving the right to attend and vote at general meetings, would vote in favour of any resolution to approve the Disposal. Trillion Resources or its associates do not have any interest in the Disposal which is different from those of other Shun Ho Resources Shareholders.

Mr. William Cheng Kai Man, the Chairman of the Board of Shun Ho Technology, who is, indirectly through Omnico Company Inc., in control of more than 50% of the voting rights of Shun Ho Technology, has informed the Board of Shun Ho Technology that Omnico Company Inc. (which is wholly-owned by Shun Ho Resources), which beneficially owns 281,904,489 Shun Ho Technology Shares, representing approximately 52.49% of the nominal value of the securities giving the right to attend and vote at general meetings, would vote in favour of any resolution to approve the Disposal. Omnico Company Inc. or its associates do not have any interest in the Disposal which is different from those of other Shun Ho Technology Shareholders.

The Disposal constitutes a major transaction for Magnificent Estates since one of the applicable percentage ratios for the Disposal exceeds 25% but below 75%. Therefore, the Disposal is subject to reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. As no Magnificent Estates Shareholders are required to abstain from voting at a shareholder meeting to approve the Disposal, Magnificent Estates has already obtained a written approval for the Disposal from Shun Ho Technology, which beneficially owns 6,360,585,437 Magnificent Shares, representing approximately 71.09% of the nominal value of the securities giving the right to attend and vote at general meetings of Magnificent Estates. Accordingly, no shareholders meeting will be held by Magnificent Estates for approval of the Disposal.

Shun Ho Resources and Shun Ho Technology will dispatch circulars containing further particulars of the Disposal and other information as required under the Listing Rules together with notice of the extraordinary general meeting of the Shun Ho Resources Shareholders and Shun Ho Technology Shareholders to the Shun Ho Resources Shareholders and Shun Ho Technology Shareholders respectively. Magnificent Estates will dispatch circular containing further information on the Disposal and other information as required under the Listing Rules to the Magnificent Estates Shareholders for information purposes. As additional time is required for preparation of the financial information of the Group to be included in the circulars, the aforesaid circulars could not be dispatched to the Shun Ho Technology Shareholders, Shun Ho Resources Shareholders and Magnificent Shareholders within 15 business days after the publication of this announcement. It is currently expected that the circulars will be dispatched on or around mid of February 2014. As far as Magnificent Estates is concerned, since Rule 14.41(a) of the Listing Rules requires that the circular must be dispatched within 15 business days after the publication of the announcement if the transaction is approved by way of written shareholder's approval, application will be made by Magnificent Estates to the Stock Exchange for waiver from strict compliance with Rule 14.41(a) of the Listing Rules. Further announcement will be made by the Companies as to when the circulars will be dispatched.

At the request of the Companies, trading in shares of the Companies was suspended with effect from 9:00 a.m. on 23 December 2013 pending publication of this announcement. The Companies have made an application to the Stock Exchange for the resumption of trading of the shares of the Companies on the Stock Exchange from 9:00 a.m. on 24 December 2013.

## **INTRODUCTION**

The Boards are pleased to announce that on 20 December 2013 (after trading hours), the Vendor, a wholly-owned subsidiary of Magnificent Estates entered into the Agreement with the Purchaser for the disposal of the Sale Shares and Sale Loan at an aggregate Consideration of HK\$900,000,000.

## **AGREEMENT**

**Date:** 20 December 2013, after trading hours

**Parties:** (i) Houston Venture, as the Vendor, a wholly-owned subsidiary of Magnificent Estates

(ii) Oceanic Leader Investments Limited, as the Purchaser. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (a) the Purchaser is an investment holding company and its ultimate beneficial holding company is Emperor Entertainment; and (b) the Purchaser, Emperor Entertainment and its ultimate beneficial owner(s) are Independent Third Parties.

### **Assets to be disposed**

The Sale Shares comprise the entire issued share capital of Himson Enterprises and Longham Investment. The Sale Loan in the sum of HK\$28,759,000 is currently owed by Himson Enterprises and Longham Investment to the Vendor. Himson Enterprises and Longham Investment respectively hold 70% and 30% interests in Grand-Invest which in turn owns 100% interest in the Hotel.

### **Consideration**

The aggregate Consideration for the Sale Shares and the Sale Loan is HK\$900,000,000 payable in cash by the Purchaser as follow:

- (i) an initial deposit in the sum of HK\$180,000,000 has already been paid upon the signing of the Agreement; and
- (ii) the remaining balance of HK\$720,000,000 will be paid upon the Completion.

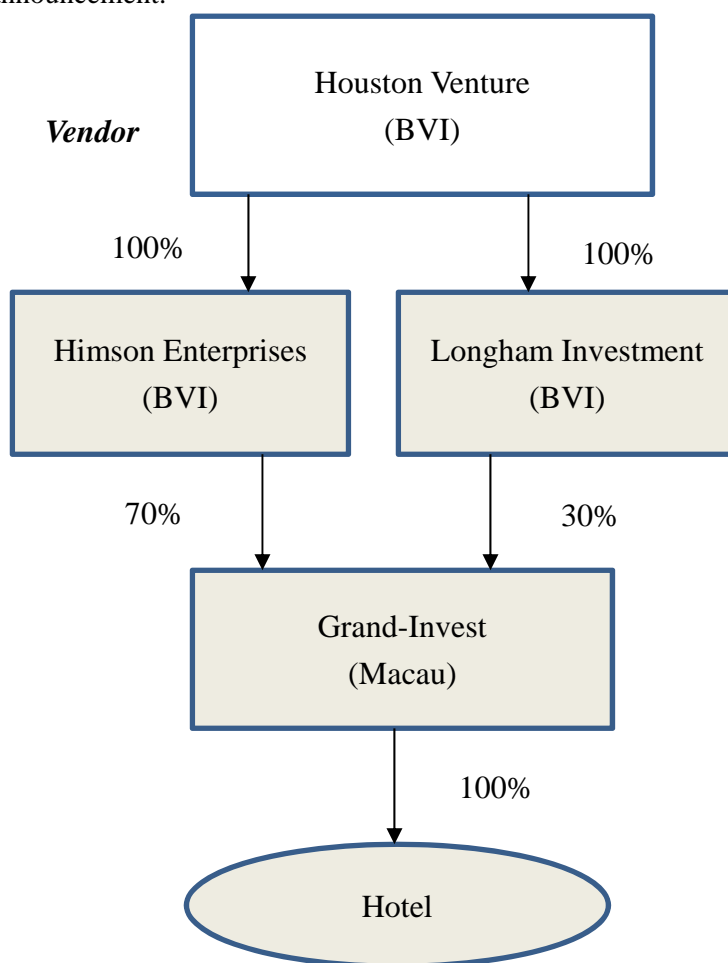
### **Completion**

The Completion date shall be the later of the following:

- (a) 20 March 2014, being a business day which is 3 months after signing of the Agreement; or
- (b) 5 business days after obtaining the approval of the Shun Ho Technology Shareholders and Shun Ho Resources Shareholders at the extraordinary general meetings on the Disposal, the Agreement and the transactions contemplated thereunder,

provided that the Completion date shall in any event no later than 20 June 2014, being a business day which is 6 months after the signing of the Agreement.

The following diagram illustrates the shareholding structure of Himson Enterprises and Longham Investment as at the date of this announcement:



*Note: Himson Enterprises, Longham Investment and Grand-Invest are investment holding companies holding interests in the Hotel.*

## THE HOTEL

The Hotel, namely Best Western Hotel Taipa, Macau (澳門格蘭酒店) is situated at Estrada Governador Nobre Carvalho No.822, Taipa, Macau. According to the valuation made by an independent professional valuer as at 30 June 2013, the market value of the Hotel is HK\$814.8 million.

## FINANCIAL INFORMATION OF DISPOSED COMPANIES

Set out below are certain unaudited combined financial information of Himson Enterprises, Longham Investment and Grand-Invest for the financial years ended 31 December 2011 and 31 December 2012 and the six months ended 30 June 2013 prepared in accordance with the Hong Kong Financial Reporting Standards:

	<b>For the year ended 31 December 2011</b> <i>HK\$' million</i>	<b>For the year ended 31 December 2012</b> <i>HK\$' million</i>	<b>For the six months ended 30 June 2013</b> <i>HK\$' million</i>
<i>Net profit before taxation</i>	50	53	17
<i>Net profit after taxation</i>	44	47	15

As at 30 June 2013, the unaudited combined net assets book value of Himson Enterprises, Longham Investment and Grand-Invest (without taking into account the market value of the Hotel of HK\$814.8 million) was approximately HK\$159 million.

## **BASIS OF CONSIDERATION**

The Consideration was determined after arm's length negotiations between the parties to the Agreement taking into account the valuation conducted by the independent professional valuer and the prevailing market conditions in Macau. The Consideration of HK\$900,000,000 represents the total value of the Sale Shares and the Sale Loan which reflect the valuation for the Hotel together with the operational assets offered by the Purchaser.

The Boards (including the independent non-executive Directors) consider that the Disposal is on normal commercial terms and the terms of the Agreement (including the Consideration) are fair and reasonable and are in the interests of Magnificent Estates, Shun Ho Technology and Shun Ho Resources and their respective shareholders as a whole.

## **FINANCIAL EFFECTS OF THE DISPOSAL**

Based on the Consideration of HK\$900,000,000, the unaudited combined net assets book value of Himson Enterprises, Longham Investment and Grand-Invest as at 30 June 2013 of approximately HK\$159 million and the Sale Loan in the sum of HK\$28,759,000, **it is estimated that a gain of approximately HK\$712 million will be realized pursuant to the Disposal.**

Upon Completion, Himson Enterprises and Longham Investment will cease to be subsidiaries of the Group.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

Magnificent Estates Group is principally engaged in property investment, property development and leasing, investment in and operation of hotels.

Shun Ho Technology Group is principally an investment holding company. Through its major subsidiary, Magnificent Estates, Shun Ho Technology is principally engaged in property investment, property development and leasing, investment in and operation of hotels.

Shun Ho Resources Group is principally an investment holding company. Through its major subsidiaries, Shun Ho Technology and Magnificent Estates, Shun Ho Resources is principally engaged in property investment, property development and leasing, investment in and operation of hotels.

Emperor Entertainment is principally engaged in hotel and hotel related operations.

The Boards strategically plan to focus on the development and expansion of the hotel business of the Group in Hong Kong. The original purchase cost of the Hotel was HK\$242,000,000 in 2005. The Consideration of HK\$900,000,000 is higher than the original purchase costs by HK\$658,000,000. The Boards continue to be bullish with the hotel business in Hong Kong which benefits from the fast growth economy of the PRC, therefore the Boards aim to significantly increase the Group's investment of hotel or commercial property developments in Hong Kong. The sale proceeds from the Disposal are intended to be used to further expand the business in development and investment of hotel and commercial properties in Hong Kong. As at the date of this announcement, the Group owns and operates the Ramada Hotel Kowloon, Ramada Hong Kong Hotel,

Best Western Hotel Causeway Bay, Best Western Hotel Harbour View, Best Western Grand Hotel, the Hotel and Magnificent International Hotel, Shanghai with approximately 2,000 rooms together with one new hotel under development in Sheung Wan which is expected to operate in 2014. The Hotel has a total of about 260 rooms. Upon Completion and after the new hotel in Sheung Wan is operated, the Group plans to have a total of about 2,000 hotel rooms. The Disposal would allow the Group to consolidate the resources to develop and expand hotel business in Hong Kong.

## **GENERAL**

As at the date of this announcement, Shun Ho Resources controls approximately 52.49% of the total voting rights of Shun Ho Technology, which in turn controls approximately 71.09% of the total voting rights of Magnificent Estates. Magnificent Estates, Shun Ho Technology and Shun Ho Resources are all listed on the Stock Exchange.

In respect of Shun Ho Resources and Shun Ho Technology, as one of the applicable percentage ratios for the Disposal exceeds 75%, the Disposal constitutes a very substantial disposal under the Listing Rules and, therefore, is subject to reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. Pursuant to Rule 14.49 of the Listing Rules, the Disposal is subject to approval by Shun Ho Resources Shareholders and Shun Ho Technology Shareholders at their shareholders meetings respectively.

Mr. William Cheng Kai Man, the Chairman of the Board of Shun Ho Resources, who is, through Trillion Resources, in control of more than 50% of the voting rights of Shun Ho Resources, has informed the Board of Shun Ho Resources that Trillion Resources (which is wholly-owned by Mr. William Cheng Kai Man), which beneficially owns 154,006,125 Shun Ho Resources Shares, representing approximately 50.60% of the nominal value of the securities giving the right to attend and vote at general meetings, would vote in favour of any resolution to approve the Disposal. Trillion Resources or its associates do not have any interest in the Disposal which is different from those of other Shun Ho Resources Shareholders.

Mr. William Cheng Kai Man, the Chairman of the Board of Shun Ho Technology, who is, indirectly through Omnico Company Inc., in control of more than 50% of the voting rights of Shun Ho Technology, has informed the Board of Shun Ho Technology that Omnico Company Inc. (which is wholly-owned by Shun Ho Resources), which beneficially owns 281,904,489 Shun Ho Technology Shares, representing approximately 52.49% of the nominal value of the securities giving the right to attend and vote at general meetings, would vote in favour of any resolution to approve the Disposal. Omnico Company Inc. or its associates do not have any interest in the Disposal which is different from those of other Shun Ho Technology Shareholders.

The Disposal constitutes a major transaction for Magnificent Estates as one of the applicable percentage ratios for the Disposal exceeds 25% but below 75%. Therefore, the Disposal is subject to reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. As no Magnificent Estates Shareholders are required to abstain from voting at a shareholder meeting to approve the Disposal, Magnificent Estates has already obtained a written approval for the Disposal from Shun Ho Technology, which beneficially owns 6,360,585,437 Magnificent Shares, representing approximately 71.09% of the nominal value of the securities giving the right to attend and vote at general meetings of Magnificent Estates. Accordingly, no shareholders meeting will be held by Magnificent Estates for approval of the Disposal.

Shun Ho Resources and Shun Ho Technology will dispatch circulars containing further particulars of the Disposal and other information as required under the Listing Rules together with notice of the extraordinary general meeting of the Shun Ho Resources Shareholders and Shun Ho Technology Shareholders to the Shun Ho Resources Shareholders and Shun Ho Technology Shareholders respectively. Magnificent Estates will dispatch circular containing further information on the Disposal and other information as required under the Listing Rules to the Magnificent Estates Shareholders for information purposes. As additional time is required for preparation of the financial information of the Group to be included in the circulars, the aforesaid circulars could not be dispatched to the Shun Ho Technology Shareholders, Shun Ho Resources Shareholders and Magnificent Estates Shareholders within 15 business days after the publication of this announcement. It is currently expected

that the circulars will be dispatched on or around mid of February 2014. As far as Magnificent Estates is concerned, since Rule 14.41(a) of the Listing Rules requires that the circular must be dispatched within 15 business days after the publication of the announcement if the transaction is approved by way of written shareholder's approval, application will be made by Magnificent Estates to the Stock Exchange for waiver from strict compliance with Rule 14.41(a) of the Listing Rules. Further announcement will be made by the Companies as to when the circulars will be dispatched.

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## DEFINITIONS

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

<b>“Agreement”</b>	the sale and purchase agreement entered into between Houston Venture as vendor and Oceanic Leader Investments Limited as purchaser on 20 December 2013
<b>“associate(s)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Boards”</b>	collectively the board of Directors of Magnificent Estates, Shun Ho Technology and Shun Ho Resources, and where the context requires, the board of Directors of any of Magnificent Estates, Shun Ho Technology and Shun Ho Resources
<b>“BVI”</b>	the British Virgin Islands
<b>“Companies”</b>	Magnificent Estates, Shun Ho Technology and Shun Ho Resources
<b>“Completion”</b>	the completion of the sale and purchase of the Sale Shares and Sale Loan pursuant to the terms and conditions of the Agreement
<b>“Consideration”</b>	the aggregate consideration payable by the Purchaser for the Sale Shares and Sale Loan under the Agreement
<b>“Director(s)”</b>	collectively the director(s) of Magnificent Estates, Shun Ho Technology and Shun Ho Resources, and where the context requires, the director(s) of any of Magnificent Estates, Shun Ho Technology and Shun Ho Resources
<b>“Disposal”</b>	the disposal of the Sale Shares and Sale Loan by the Vendor to the Purchaser
<b>“Emperor Entertainment”</b>	Emperor Entertainment Hotel Limited (英皇娛樂酒店有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (stock code: 296)
<b>“Grand-Invest”</b>	Grand-Invest & Development Company Limited, a company incorporated in Macau with limited liability, and legally and beneficially owned as to 70% by Himson Enterprises and 30% by Longham Investment as at the date of this announcement

<b>“Group”</b>	collectively, Magnificent Estates Group, Shun Ho Technology Group and Shun Ho Resources Group
<b>“Himson Enterprises”</b>	Himson Enterprises Limited, a company incorporated in BVI with limited liability, an indirect wholly-owned subsidiary of Magnificent Estates as at the date of this announcement
<b>“Hong Kong”</b>	The Hong Kong Special Administrative Region of the PRC
<b>“Hotel”</b>	Best Western Hotel Taipa, Macau (澳門格蘭酒店)
<b>“Houston Venture” or the “Vendor”</b>	Houston Venture Limited, a company incorporated in BVI with limited liability, a wholly-owned subsidiary of Magnificent Estates as at the date of this announcement
<b>“Independent Third Party(ies)”</b>	an individual(s) or a company(ies) who or which is(are) independent of and not connected with (within the meaning of the Listing Rules) any Directors, chief executive or substantial shareholders, of Magnificent Estates, Shun Ho Technology and Shun Ho Resources, their respective subsidiaries or any of their respective associate(s)
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“Longham Investment”</b>	Longham Investment Limited, a company incorporated in BVI with limited liability, an indirect wholly-owned subsidiary of Magnificent Estates as at the date of this announcement
<b>“Macau”</b>	The Macau Special Administrative Region of the PRC
<b>“Magnificent Estates”</b>	Magnificent Estates Limited (華大地產投資有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
<b>“Magnificent Estates Group”</b>	Magnificent Estates and its subsidiaries
<b>“Magnificent Estates Share(s)”</b>	share(s) of HK\$0.01 each in the share capital of Magnificent Estates
<b>“Magnificent Estates Shareholder(s)”</b>	holder(s) of Magnificent Estates Shares
<b>“percentage ratios”</b>	has the same meaning ascribed to it under the Listing Rules
<b>“PRC”</b>	The People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau and Taiwan
<b>“Purchaser”</b>	Oceanic Leader Investments Limited, a company incorporated in BVI with limited liability and an Independent Third Party
<b>“Sale Loan”</b>	the shareholder’s loan owed by Himson Enterprises and Longham Investment to the Vendor in the sum of HK\$28,759,000 which is non-interest bearing
<b>“Sale Shares”</b>	the entire issued share capital of Himson Enterprises and Longham Investment



“Shun Ho Resources”	Shun Ho Resources Holdings Limited (順豪資源集團有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Shun Ho Resources Group”	Shun Ho Resources and its subsidiaries
“Shun Ho Resources Share(s)”	share(s) of HK\$0.5 each in the share capital of Shun Ho Resources
“Shun Ho Resources Shareholder(s)”	holder(s) of Shun Ho Resources Shares
“Shun Ho Technology”	Shun Ho Technology Holdings Limited (順豪科技控股有限公司), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Shun Ho Technology Group”	Shun Ho Technology and its subsidiaries
“Shun Ho Technology Share(s)”	share(s) of HK\$0.5 each in the share capital of Shun Ho Technology
“Shun Ho Technology Shareholder(s)”	holder(s) of Shun Ho Technology Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trillion Resources”	Trillion Resources Limited, a company incorporated in BVI with limited liability and controlled by Mr. William Cheng Kai Man who is the Chairman of the Boards
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the board of directors  
**Magnificent  
Estates Limited**

William Cheng Kai Man  
*Chairman*

By order of the board of directors  
**Shun Ho Technology Holdings  
Limited**

William Cheng Kai Man  
*Chairman*

By order of the board of directors  
**Shun Ho Resources  
Holdings Limited**

William Cheng Kai Man  
*Chairman*

Hong Kong, 23 December 2013

*As at the date hereof, the Boards of each of Magnificent Estates, Shun Ho Technology and Shun Ho Resources comprise of 2 executive Directors, namely Mr. William CHENG Kai Man and Mr. Albert HUI Wing Ho; 1 non-executive Director, namely Madam Mabel LUI FUNG Mei Yee and 3 Independent non-executive Directors, namely Mr. Vincent KWOK Chi Sun, Mr. CHAN Kim Fai and Mr. HUI Kin Hing.*