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SHUN HO TECHNOLOGY HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)
(Stock Code: 219)

SHUN HO RESOURCES HOLDINGS LIMITED

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

DISCLOSEABLE TRANSACTION

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SUMMARY

The Boards are pleased to announce that on 24 March 2004, Duplexway, a wholly owned subsidiary of Shun Ho Technology and Woodmont, an Independent Third Party have entered into the Provisional Sale and Purchase Agreement whereby Duplexway agreed to sell and Woodmont agreed to purchase the Property for a consideration of HK\$250,000,000.00.

The Boards are pleased to further announce that Formal Agreement has been entered into on 30 March 2004 between the Purchaser and the Vendor to reflect the Provisional Sale and Purchase Agreement.

Both the Companies are listed on the Stock Exchange. Shun Ho Resources controls over 50% of the total voting right of Shun Ho Technology. The consideration for the Disposal amounts to approximately 19.6% of the net asset value of Shun Ho Technology. Therefore, it is a discloseable transaction for Shun Ho Technology. The consideration for the Disposal also amounts to approximately 19.3% of the net asset value of Shun Ho Resources on a consolidated basis. Therefore, it is also a discloseable transaction for Shun Ho Resources.

Further details of Disposal will be set out in a circular of the Companies to be despatched to the Shareholders for their information within 21 days after the despatch of this announcement.

INTRODUCTION

The Boards are pleased to announce that on 24 March 2004, Duplexway, a wholly owned subsidiary of Shun Ho Technology and Woodmont, an Independent Third Party have entered into the Provisional Sale and Purchase Agreement whereby Duplexway agreed to sell and Woodmont agreed to purchase the Property for a consideration of HK\$250,000,000.00.

The Boards are pleased to further announce that Formal Agreement has been entered into on 30 March 2004 between the Purchaser and the Vendor to reflect the Provisional Sale and Purchase Agreement.

PROVISIONAL AND FORMAL SALE AND PURCHASE AGREEMENTS

- (1) **Date** : Provisional : 24 March 2004
Formal : 30 March 2004
- (2) **Parties** : Vendor : Duplexway Limited, a wholly owned subsidiary of Shun Ho Technology
Purchaser : as far as the Directors are aware, Woodmont Investments Limited, a wholly owned subsidiary of Tai Cheung Properties Limited, a property holding company that is controlled by a family named "Chan". The Directors have confirmed that none of them or the substantial shareholder or the chief executive of the Companies or their respective subsidiaries nor any of their respective Associates are connected with Woodmont or Tai Cheung Properties Limited and that they are Independent Third Parties

The Formal Agreement supersedes the Provisional Sale and Purchase Agreement.

(3) Sale and Purchase

Pursuant to the Formal Agreement, the Vendor shall sell and the Purchaser shall purchase the Property upon the terms contained therein.

(4) Property

The Property is situated at Rural Building Lot No. 647 together with the message erections and buildings thereon now known as “Modreenagh, 3-5 Plunkett’s Road, the Peak, Hong Kong”. A 6-storey residential building is erected on the Property comprising 12 residential flats with a total saleable area of 24,000 sq. feet. Out of the 12 residential flats, 8 flats are rented with a total monthly rental of HK\$395,500 receivable by the Groups. The remaining four units are at present vacant. The rental income received by the Groups amounted to HK\$4,782,320 for the year of 2003 (unaudited), and HK\$4,765,091 for the year of 2002 (audited) and HK\$5,799,398 for the year of 2001 (audited). The Property is sold subject to the existing tenancies. All the existing tenancies of the Property are made with Independent Third Party.

The Property is not subject to any mortgage or loan arrangement. Therefore, there is no interest expenses due to any financial institution. However, there is an inter-company shareholder’s loan of Duplexway due to Shun Ho Technology. Therefore, there is an interest incurring shareholder loan in relation to the Property which amounted to HK\$817,412 in the year of 2003 (unaudited) and HK\$1,136,155 in the year of 2002 (audited). As it is an inter-company loan, all the interest is for the benefit of Shun Ho Technology Group.

The Property was held by the Groups since November 1991 as a rental property.

The consideration for the Disposal was arrived at after arms length negotiation between the Purchaser and the Vendor, having made references to the existing market conditions for high-end residential flats. There is no valuation done on the Property recently.

(5) Consideration

The consideration for the Disposal is HK\$250,000,000, which was determined as a result of negotiation between the parties on arms length basis and on normal commercial terms.

5% of the total consideration which is equivalent to HK\$12,500,000 has already been paid as initial deposit by the Purchaser to the Vendor upon the signing of the Provisional Sale and Purchase Agreement. A further deposit in the sum of HK\$12,500,000, representing 5% of the total consideration has been paid to the Vendor by the Purchaser on 30 March 2004. The balance of the consideration in the sum of HK\$225,000,000 shall be payable on or before Completion Date. All payment will be or has been (as the case may be) paid in cash or by cheque or by cashier order.

(6) Formal Agreement

A Formal Agreement reflecting the terms and conditions of the Provisional Sale and Purchase Agreement was signed by the parties thereto on 30 March 2004.

(7) Stamp Duty

All stamp duty for the sale and purchase of the Property and registration fees shall be borne and paid by the Purchaser.

DISCLOSEABLE TRANSACTION

As the total consideration receivable from the Purchaser in the sum of HK\$250,000,000 represents about 19.6% of the audited net tangible assets of Shun Ho Technology as at 31 December 2002, the transaction contemplated under the Provisional Sale and Purchase Agreement constitutes a discloseable transaction under Chapter 14.12 of the Listing Rules for Shun Ho Technology.

As the total consideration receivable from the Purchaser in the sum of HK\$250,000,000 represents about 19.3% of the audited net tangible assets of Shun Ho Resources as at 31 December 2002, the transaction contemplated under the Provisional Sale and Purchase Agreement constitutes a discloseable transaction under Chapter 14.12 of the Listing Rules of Shun Ho Resources.

BUSINESS OF THE GROUPS

Shun Ho Technology Group is principally engaged in the property investment, property development and trading, property leasing, investment in and operation of hotel and furnished suites and investment holding.

Shun Ho Resources Group is engaged in the investment and operation of hotel and furnished suites, property investment, property development and trading, securities investment and trading, and treasury operations.

BENEFITS OF THE TRANSACTION

The consideration to be received in relation to the Disposal represents a surplus of approximately HK\$180,431,660 over the original acquisition cost of the Property. The Property was acquired by the Vendor in November 1991. It was revalued by an independent valuer, Dudley Surveyors Limited, in September 2003 that the value of the Property was HK\$170,000,000. Therefore, the Companies expects that a gain of approximately HK\$80,000,000 over its book value of HK\$170,000,000 as at 31st December, 2002 will be realized from the sale and purchase of the Property. It is expected that the proceeds for the Disposal will be used as general working capital of the Groups for the time being until the Groups can identify any future investment opportunity in the property market mainly in Hong Kong which will be more favourable to the Companies. The Groups have not yet identified such opportunity at the time being. Any future investment is expected to be in line with the existing businesses of the Groups.

The Agreements were entered into in the ordinary and usual course of businesses of the Groups. The Boards believe that the terms and conditions of the Agreements are fair and reasonable and on normal commercial terms and entering into of the Agreements are in the best interests of the Companies and their Shareholders as a whole.

GENERAL

Both the Companies are listed on the Stock Exchange. Shun Ho Resources controls over 50% of the total voting right of Shun Ho Technology.

A circular of the Companies, containing further particulars of the Disposal will be despatched to the Shareholders for their information within 21 days after the publication of this announcement.

DEFINITIONS

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

“Agreements”	the Formal Agreement and the Provisional Sale and Purchase Agreement
“Associates”	has the meaning ascribed to it under the Listing Rules
“Boards”	The board of Directors of the Companies
“Companies”	Shun Ho Technology and Shun Ho Resources
“Completion Date”	24 May 2004
“Director(s)”	Director(s) of the Companies
“Disposal”	the disposal of the Property by Duplexway to Woodmont
“Duplexway” or “Vendor”	Duplexway Limited, a wholly-owned subsidiary of Shun Ho Technology, incorporated in Hong Kong, the principal business of which is property investment and the Property is its only owned property

“Formal Agreement”	the formal agreement entered into on 30 March 2004 by the Purchaser and the Vendor reflecting the terms and conditions of the Provision Sale and Purchase Agreement
“Groups”	Shun Ho Technology Group and Shun Ho Resources Group
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	the independent third party or parties who is/are not connected or acting in concert (as defined in the Takeovers Code) with any of the directors, chief executive and substantial shareholders of the Companies or any of its/their respective associates (each as defined in the Listing Rules)
“Property”	all those pieces or parcels of ground registered in the Land Office Rural Building Lot No. 647 together with the messuage erections and buildings thereon now known as “Modreenagh, 3-5 Plunkett’s Road, the Peak, Hong Kong”
“Provisional Sale and Purchase Agreement”	the provisional sale and purchase agreement entered into between Duplexway as vendor and Woodmont as purchaser on 24 March 2004
“Shareholders”	holders of the Shares
“Shares”	Share(s) of HK\$0.5 each in the capital of the Companies
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“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 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
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“Woodmont” or “Purchaser”	Woodmont Investments Limited
“HK\$” and “cents”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Shun Ho Technology Holdings Limited
William CHENG Kai Man
Chairman

By order of the Board
Shun Ho Resources Holdings Limited
William CHENG Kai Man
Chairman

Hong Kong, 30 March 2004

“Please also refer to the published version of this announcement in China Daily”