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**MAGNIFICENT HOTEL
INVESTMENTS LIMITED**

*(Incorporated in Hong Kong
with limited liability)*

(Stock Code: 201)



**SHUN HO PROPERTY
INVESTMENTS LIMITED**

*(Incorporated in Hong Kong
with limited liability)*

(Stock Code: 219)



**SHUN HO HOLDINGS
LIMITED**

*(Incorporated in Hong Kong
with limited liability)*

(Stock Code: 253)

PROFIT WARNING

This announcement is made by Magnificent Hotel Investments Limited (“**MHI**”), Shun Ho Property Investments Limited (“**SHP**”) and Shun Ho Holdings Limited (“**SHH**”) (collectively the “**Companies**” and, together with their respective subsidiaries, the “**Groups**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The board of directors (the “**Board**”) of the Companies wishes to inform the shareholders of the Companies and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Groups for the financial year ended 31 December 2020 (“**Year 2020**”) and information currently available, it is expected that (i) there would be a drop in revenue for Year 2020 in the range of 40% - 50%, 30% - 40% and 30% - 40% for MHI, SHP and SHH respectively, as compared to that for the financial year ended 31 December 2019 (“**Year 2019**”); and (ii) the respective loss attributable to owners of MHI, SHP and SHH for Year 2020 would be approximately HK\$200 million, HK\$170 million and HK\$95 million, whereas the respective net profit attributable to owners of MHI, SHP and SHH were approximately HK\$32 million, HK\$17 million and HK\$4 million for Year 2019.

The loss attributable to owners expected to be incurred by the Groups for Year 2020 is primarily attributable to revaluation reduction of the fair value on investment properties and depreciation charges on hotel properties, all of which are non-cash items. Besides, during Year 2020, the Groups’ core hotel business which is undertaken through MHI and SHP has dropped drastically as compared to that in Year 2019 due to serious disruption caused by COVID-19 as indicated in the interim results of the Groups for 2020 released on 19 August 2020. Nevertheless, the management has taken prompt measures to streamline operating structure and to control operating costs.

According to the unaudited consolidated management accounts of the Groups for Year 2020, each of MHI, SHP and SHH has a low gearing ratio of 13%, 11% and 11% respectively. The Board of the Companies considers that the overall financial position of the Groups remains sound and solid.

The information contained in this announcement is based on the preliminary assessment of the unaudited financial information currently available to the Groups. Such information has not been reviewed or audited by the Companies' auditor. The audited annual results of the Groups for Year 2020 are expected to be announced in March 2021.

Shareholders of the Companies and potential investors are advised to exercise caution when dealing in the shares of the Companies.

By Order of the Board
**Magnificent Hotel
Investments Limited**

By Order of the Board
**Shun Ho Property
Investments Limited**

By Order of the Board
**Shun Ho Holdings
Limited**

William Cheng Kai Man
Chairman

William Cheng Kai Man
Chairman

William Cheng Kai Man
Chairman

Hong Kong, 5 March 2021

As at the date hereof, the Board of each of MHI, SHP and SHH comprises five Executive Directors, namely, Mr. William Cheng Kai Man, Mr. Albert Hui Wing Ho, Madam Kimmy Lau Kam May, Madam Ng Yuet Ying and Madam Wendy Cheng Wai Kwan; one Non-Executive Director, namely, Madam Mabel Lui Fung Mei Yee; and three Independent Non-Executive Directors, namely, Mr. Vincent Kwok Chi Sun, Mr. Chan Kim Fai and Mr. Lam Kwai Cheung.