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SUNDART INTERNATIONAL HOLDINGS LIMITED

承達國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2288)

MAJOR TRANSACTION – ACQUISITION OF PROPERTY

On 31 May 2010, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Provisional S&P Agreement with the Vendor for the acquisition of the Property located at Kwun Tong Inland Lot No. 526 at a consideration of HK\$315,000,000.

In respect of the Acquisition, the applicable percentage ratios, where appropriate, calculated by reference to Rule 14.07 of the Listing Rules, are 25% or more but less than 100%. Accordingly, the Acquisition constitutes a major transaction for the Company under Rule 14.06(3) of the Listing Rules and is therefore subject to the announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A circular containing, inter alia, further information in respect of the Acquisition, a notice convening the extraordinary general meeting of the Company to be held for the purpose of approving the Acquisition and a valuation report in relation to the Property will be despatched to the Shareholders as soon as possible.

THE PROVISIONAL S&P AGREEMENT

On 31 May 2010, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Provisional S&P Agreement with the Vendor for the acquisition of the Property at a consideration of HK\$315,000,000.

Parties

- (1) Malleon Limited, as the Vendor; and
- (2) Vital Success Development Limited, an indirect wholly-owned subsidiary of the Company, or its nominees, as the Purchaser

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons. The principal business activity of the Vendor is property holding. There is no prior transaction and relationship between the Company and the Vendor and its associates in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

Information of the Property

Subject to the terms and conditions of the Provisional S&P Agreement, the Vendor shall sell and the Purchaser shall acquire the Property located at Kwun Tong Inland Lot No. 526, Elite Industrial Building, 135 – 137 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong. The Property, which occupies a site area of approximately 16,500 square feet, is an 11-storey industrial building and has a gross floor area of approximately 150,172 square feet (excluding the car parking spaces).

A valuation report of the Property performed by an independent professional valuer to be appointed by the Company will be contained in the circular to be despatched to the Shareholders.

Consideration and payment terms

The consideration for the Acquisition is HK\$315,000,000, which shall be payable to the Vendor in the following manner:

- (a) an initial deposit in the sum of HK\$10,000,000 has been paid by the Purchaser upon signing of the Provisional S&P Agreement;
- (b) a further deposit in the sum of HK\$21,500,000 shall be paid by the Purchaser upon signing of the formal agreement for sale and purchase which must be signed on or before 28 June 2010; and
- (c) the remaining balance of the consideration amounting to HK\$283,500,000 shall be satisfied in full by the Purchaser upon Completion, which is expected to take place on or before 31 December 2010.

The consideration for the Property has been determined after arm's length negotiations between the parties by reference to the prevailing market conditions. The consideration will be financed by a combination of internal resources of the Group and bank financing.

Completion

Completion of the Acquisition shall be subject to obtaining of the approval of the Shareholders and the satisfaction of the requirements imposed by the Stock Exchange under the Listing Rules in relation to the Acquisition. Subject to the satisfaction of the conditions to the Provisional S&P Agreement, completion of the Acquisition shall take place on or before 31 December 2010.

REASONS FOR THE ACQUISITION

The Group is principally engaged in providing professional, up-market and cost-saving fitting-out contracting services for sizeable residential and hotel projects.

The Acquisition is a harbour side property in Kwun Tong which has tremendous development potential due to its location and its proximity to the government planning of the use of land of the former airport. The Group plans to acquire the Property for investment purposes and is considering the options for the final usage including: (i) to renovate or build a new building for the Group's own or leasing use or (ii) to resell the Property when appropriate. Taking into account the above factors, the Directors consider that the terms of the Acquisition are fair and reasonable and the Acquisition is in the interests of the Shareholders and the Company as a whole.

LISTING RULES APPLICATIONS

In respect of the Acquisition, the applicable percentage ratios, where appropriate, calculated by reference to Rule 14.07 of the Listing Rules, are 25% or more but less than 100%. Accordingly, the Acquisition constitutes a major transaction for the Company under Rule 14.06(3) of the Listing Rules and is therefore subject to the announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A circular containing, inter alia, further information in respect of the Acquisition, a notice convening the extraordinary general meeting of the Company to be held for the purpose of approving the Acquisition and a valuation report in relation to the Property will be dispatched to the Shareholders as soon as possible.

DEFINITIONS

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the Provisional S&P Agreement
“Board”	the board of Directors
“Company”	Sundart International Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability on 27 April 2009 and the shares of which are listed on the Stock Exchange (Stock Code: 2288)
“Completion”	completion of the Acquisition pursuant to the Provisional S&P Agreement and/or the formal agreement(s) to be entered into under its terms
“connected person”	shall have the meaning as ascribed to it under the Listing Rules

“Director(s)”	the director(s) of the Company, including independent non-executive directors
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Kwun Tong Inland Lot No. 526, Elite Industrial Building, 135 – 137 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong
“Provisional S&P Agreement”	the provisional agreement for sale and purchase of the Property dated 31 May 2010 entered into between the Vendor and the Purchaser
“Purchaser”	Vital Success Development Limited, an indirect wholly-owned subsidiary of the Company, or its nominees
“Shareholder(s)”	the shareholder(s) of the Company, being holder(s) of the ordinary share(s) of HK\$0.01 each of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Malleson Limited, a limited liability company incorporated in Hong Kong
“%”	per cent.

By Order of the Board
Sundart International Holdings Limited
 承達國際控股有限公司
Chan William
Chairman

Hong Kong, 1 June 2010

As at the date of this announcement, the Board comprises Mr. Chan William (Chairman), Mr. Ng Tak Kwan (Chief Executive Officer), Mr. Leung Kai Ming, Mr. Wong Kim Hung, Patrick and Mr. Yip Chun Kwok as Executive Directors and Mr. To King Yan, Adam, Mr. Wong Hoi Ki and Mr. Ho Kwok Wah, George as Independent Non-Executive Directors.