

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **SUNDART HOLDINGS LIMITED**

### **承達集團有限公司**

*(incorporated under the laws of British Virgin Islands with limited liability)*

**(Stock Code: 1568)**

## **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2024**

### **FINANCIAL HIGHLIGHTS**

*(in million HK dollars, unless otherwise stated)*

	<b>Six months ended 30 June</b>		<b>Change</b>
	<b>2024</b>	<b>2023</b>	
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	
Revenue	<b>2,766.1</b>	2,135.2	29.5%
Gross profit	<b>384.9</b>	271.6	41.7%
Gross profit margin	<b>13.9%</b>	12.7%	1.2%
Profit attributable to owners of the Company	<b>167.2</b>	113.6	47.2%
Basic and diluted earnings per share <i>(HK cents)</i>	<b>7.75</b>	5.26	47.3%
	<b>30 June</b>	<b>31 December</b>	<b>Change</b>
	<b>2024</b>	<b>2023</b>	
	<i>(Unaudited)</i>	<i>(Audited)</i>	
Equity attributable to owners of the Company	<b>3,596.4</b>	3,442.3	4.5%

### **INTERIM DIVIDEND**

The Board did not recommend the payment of an interim dividend.

The board (the “**Board**”) of director(s) (the “**Director(s)**”) of SUNDART HOLDINGS LIMITED 承達集團有限公司 (the “**Company**”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2024 (the “**Period**”) together with the comparative figures for the six months ended 30 June 2023 (the “**Previous Period**”) as set out below:

**CONDENSED CONSOLIDATED STATEMENT OF  
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the six months ended 30 June 2024*

	<i>Notes</i>	<b>Six months ended 30 June</b>	
		<b>2024</b>	<b>2023</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	3	<b>2,766,110</b>	2,135,173
Cost of sales		<b>(2,381,197)</b>	(1,863,565)
Gross profit		<b>384,913</b>	271,608
Other income, other gains and losses	5	<b>(27,811)</b>	20,538
Reversal of (allowance for) impairment losses under expected credit loss model, net		<b>7,948</b>	(12,401)
Selling expenses		<b>(6,670)</b>	(3,602)
Administrative expenses		<b>(109,194)</b>	(88,847)
Other expenses		<b>(32,497)</b>	(36,285)
Share of loss of an associate		<b>(1,233)</b>	(3,932)
Finance costs		<b>(844)</b>	(440)
Profit before tax		<b>214,612</b>	146,639
Income tax expense	6	<b>(47,433)</b>	(33,058)
<b>Profit for the period attributable to owners of the Company</b>	7	<b>167,179</b>	113,581

**CONDENSED CONSOLIDATED STATEMENT OF  
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME** *(Continued)*  
*For the six months ended 30 June 2024*

		<b>Six months ended 30 June</b>	
		<b>2024</b>	2023
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		<i>(Unaudited)</i>	<i>(Unaudited)</i>
<b>Other comprehensive expenses</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Gain on revaluation of properties transferred to investment properties		–	9,810
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(13,034)	(36,486)
Share of other comprehensive expense of an associate		(46)	(374)
		<u>(13,080)</u>	<u>(36,860)</u>
Other comprehensive expenses for the period		<u>(13,080)</u>	<u>(27,050)</u>
<b>Total comprehensive income for the period attributable to owners of the Company</b>		<u><b>154,099</b></u>	<u><b>86,531</b></u>
<b>Earnings per share</b>			
Basic and diluted ( <i>HK cents</i> )	9	<u><b>7.75</b></u>	<u><b>5.26</b></u>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2024

		At 30 June 2024	At 31 December 2023
	<i>Notes</i>	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Audited)</i>
<b>Non-current assets</b>			
Property, plant and equipment		225,697	231,240
Right-of-use assets		33,451	12,660
Investment properties		153,391	164,659
Goodwill		1,510	1,510
Interest in an associate		91,607	92,886
Financial assets at fair value through profit or loss		24,128	14,834
Deferred tax assets		28,706	29,629
		<b>558,490</b>	547,418
<b>Current assets</b>			
Inventories		30,371	65,156
Trade and other receivables and bills receivable	10	3,137,984	3,202,045
Amounts due from related companies	11	1,294	305
Amounts due from fellow subsidiaries	12	7,008	1,721
Contract assets		1,445,243	1,423,938
Tax recoverable		2,670	10,532
Financial assets at fair value through profit or loss		47,391	59,000
Other financial assets at amortised cost		9,520	9,533
Pledged bank deposits		50,920	52,186
Bank balances and cash		1,614,261	1,876,726
		<b>6,346,662</b>	6,701,142
<b>Current liabilities</b>			
Trade and other payables	13	2,427,936	2,913,308
Bills payable	14	582,409	604,073
Amounts due to fellow subsidiaries		90	278
Tax payable		81,938	46,044
Bank borrowings		33,080	316
Lease liabilities		5,695	10,349
Contract liabilities		172,267	224,043
		<b>3,303,415</b>	3,798,411
<b>Net current assets</b>		<b>3,043,247</b>	2,902,731
<b>Total assets less current liabilities</b>		<b>3,601,737</b>	3,450,149

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION** (*Continued*)  
*At 30 June 2024*

	At <b>30 June 2024</b> <i>HK\$'000</i> <i>(Unaudited)</i>	At 31 December 2023 <i>HK\$'000</i> <i>(Audited)</i>
<b>Capital and reserves</b>		
Share capital	<b>1,246,815</b>	1,246,815
Reserves	<b>2,349,565</b>	2,195,466
	<hr/>	<hr/>
<b>Equity attributable to owners of the Company</b>	<b>3,596,380</b>	3,442,281
	<hr/>	<hr/>
<b>Non-current liabilities</b>		
Deferred tax liabilities	<b>3,090</b>	5,186
Lease liabilities	<b>2,267</b>	2,682
	<hr/>	<hr/>
	<b>5,357</b>	7,868
	<hr/>	<hr/>
	<b>3,601,737</b>	3,450,149
	<hr/>	<hr/>

## NOTES

### 1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 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 “Listing Rules”).

### 2. ACCOUNTING POLICIES

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

Other than a change in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the Period are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2023.

#### Application of new and amendments to HKFRSs

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA to this interim financial report for the current accounting period:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
HK-Int 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

None of the application of the new and amendments to HKFRSs in the current accounting period has material impact on the Group’s performance and financial positions for the current and prior periods and/or on the disclosures set out in the condensed consolidated financial statements.

### 3. REVENUE

An analysis of the Group’s revenue for the Period was as follows:

	Six months ended 30 June	
	2024	2023
	HK\$’000	HK\$’000
	(Unaudited)	(Unaudited)
Contract revenue from fitting-out works	2,762,909	2,123,795
Contract revenue from alteration and addition and construction works	3,010	11,041
Manufacturing, sourcing and distribution of interior decorative materials	191	337
	<u>2,766,110</u>	<u>2,135,173</u>

For the six months ended 30 June 2024

	Fitting-out works <i>HK\$'000</i> <i>(Unaudited)</i>	Alteration and addition and construction works <i>HK\$'000</i> <i>(Unaudited)</i>	Manufacturing, sourcing and distribution of interior decorative materials <i>HK\$'000</i> <i>(Unaudited)</i>	Total <i>HK\$'000</i> <i>(Unaudited)</i>
Geographical markets				
The Hong Kong Special Administrative Region ("Hong Kong")	1,078,457	3,010	–	1,081,467
The Macau Special Administrative Region ("Macau")	41,867	–	30	41,897
The Republic of Singapore ("Singapore")	734,305	–	–	734,305
The People's Republic of China (the "PRC")	908,280	–	161	908,441
Total	<u>2,762,909</u>	<u>3,010</u>	<u>191</u>	<u>2,766,110</u>
Timing of revenue recognition				
A point in time	–	–	191	191
Over time	2,762,909	3,010	–	2,765,919
Total	<u>2,762,909</u>	<u>3,010</u>	<u>191</u>	<u>2,766,110</u>

For the six months ended 30 June 2023

	Fitting-out works <i>HK\$'000</i> <i>(Unaudited)</i>	Alteration and addition and construction works <i>HK\$'000</i> <i>(Unaudited)</i>	Manufacturing, sourcing and distribution of interior decorative materials <i>HK\$'000</i> <i>(Unaudited)</i>	Total <i>HK\$'000</i> <i>(Unaudited)</i>
Geographical markets				
Hong Kong	738,506	11,041	–	749,547
Macau	18,434	–	–	18,434
Singapore	473,992	–	–	473,992
The PRC	892,863	–	231	893,094
Others	–	–	106	106
Total	<u>2,123,795</u>	<u>11,041</u>	<u>337</u>	<u>2,135,173</u>
Timing of revenue recognition				
A point in time	–	–	337	337
Over time	2,123,795	11,041	–	2,134,836
Total	<u>2,123,795</u>	<u>11,041</u>	<u>337</u>	<u>2,135,173</u>

#### 4. OPERATING SEGMENTS

The executive Directors are the chief operating decision makers. Information reported to the chief operating decision makers for the purposes of resource allocation and assessment of segment performance focuses on three principal business activities.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

- (a) Fitting-out works in Hong Kong;
- (b) Fitting-out works in Macau;
- (c) Fitting-out works in Singapore;
- (d) Fitting-out works in the PRC;
- (e) Alteration and addition and construction works in Hong Kong; and
- (f) Manufacturing, sourcing and distribution of interior decorative materials.

Information regarding the above segments was reported below:

##### Segment revenue and results

For the six months ended 30 June 2024

	Fitting-out works in Hong Kong HK\$'000 (Unaudited)	Fitting-out works in Macau HK\$'000 (Unaudited)	Fitting-out works in Singapore HK\$'000 (Unaudited)	Fitting-out works in the PRC HK\$'000 (Unaudited)	Alteration and addition and construction works in Hong Kong HK\$'000 (Unaudited)	Manufacturing, sourcing and distribution of interior decorative materials HK\$'000 (Unaudited)	Segment total HK\$'000 (Unaudited)	Elimination HK\$'000 (Unaudited)	Consolidated HK\$'000 (Unaudited)
Revenue									
External revenue	1,078,457	41,867	734,305	908,280	3,010	191	2,766,110	-	2,766,110
Inter-segment revenue	-	-	-	-	-	324,423	324,423	(324,423)	-
Segment revenue	<u>1,078,457</u>	<u>41,867</u>	<u>734,305</u>	<u>908,280</u>	<u>3,010</u>	<u>324,614</u>	<u>3,090,533</u>	<u>(324,423)</u>	<u>2,766,110</u>
Segment profit (loss)	<u>105,817</u>	<u>(2,750)</u>	<u>68,830</u>	<u>(36,881)</u>	<u>(5,286)</u>	<u>122,823</u>	<u>252,553</u>	<u>-</u>	<u>252,553</u>
Share of loss of an associate									(1,233)
Unallocated other income									26,598
Unallocated corporate expenses									(62,462)
Unallocated finance costs									(844)
Profit before tax									<u>214,612</u>



For the six months ended 30 June 2023

	Fitting-out works in Hong Kong HK\$'000 (Unaudited)	Fitting-out works in Macau HK\$'000 (Unaudited)	Fitting-out works in Singapore HK\$'000 (Unaudited)	Fitting-out works in the PRC HK\$'000 (Unaudited)	Alteration and addition and construction works in Hong Kong HK\$'000 (Unaudited)	Manufacturing, sourcing and distribution of interior decorative materials HK\$'000 (Unaudited)	Segment total HK\$'000 (Unaudited)	Elimination HK\$'000 (Unaudited)	Consolidated HK\$'000 (Unaudited)
Revenue									
External revenue	738,506	18,434	473,992	892,863	11,041	337	2,135,173	-	2,135,173
Inter-segment revenue	-	-	-	-	-	120,777	120,777	(120,777)	-
Segment revenue	<u>738,506</u>	<u>18,434</u>	<u>473,992</u>	<u>892,863</u>	<u>11,041</u>	<u>121,114</u>	<u>2,255,950</u>	<u>(120,777)</u>	<u>2,135,173</u>
Segment profit (loss)	<u>68,433</u>	<u>78,149</u>	<u>51,758</u>	<u>(67,877)</u>	<u>(968)</u>	<u>14,597</u>	<u>144,092</u>	<u>-</u>	<u>144,092</u>
Share of loss of an associate									(3,932)
Unallocated other income									25,335
Unallocated corporate expenses									(18,416)
Unallocated finance costs									<u>(440)</u>
Profit before tax									<u>146,639</u>

Segment profit/loss represented the profit earned by/loss from each segment, excluding income and expenses of the corporate function, which included certain other income, certain selling expenses, certain administrative expenses, certain other expenses, share of loss of an associate and finance costs. This is the measure reported to the executive Directors for the purposes of resource allocation and performance assessment.

Inter-segment revenue was charged at prevailing market rates.

## 5. OTHER INCOME, OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2024 <i>HK\$'000</i> <i>(Unaudited)</i>	2023 <i>HK\$'000</i> <i>(Unaudited)</i>
Other income		
Interest income	21,816	18,294
Rental income	4,540	3,358
Entrustment fee income	163	160
Others	763	1,828
	<u>27,282</u>	<u>23,640</u>
Other gains and losses		
(Loss) gain on disposal of property, plant and equipment	(321)	93
Net foreign exchange losses	(7,381)	(2,249)
Loss from fair value changes of investment properties	(10,162)	(4,064)
Net (loss) gain from fair value changes of financial assets at fair value through profit or loss (“FVTPL”)	(37,229)	3,118
	<u>(55,093)</u>	<u>(3,102)</u>
	<u>(27,811)</u>	<u>20,538</u>

## 6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2024 <i>HK\$'000</i> <i>(Unaudited)</i>	2023 <i>HK\$'000</i> <i>(Unaudited)</i>
Current tax		
Hong Kong Profits Tax	18,353	9,578
Macau Complementary Tax	10,572	14,646
Singapore Corporate Income Tax	12,562	8,793
PRC Enterprise Income Tax	227	434
	<u>41,714</u>	<u>33,451</u>
(Over) under provision in prior periods		
Hong Kong Profits Tax	(1,053)	–
Singapore Corporate Income Tax	(388)	–
PRC Enterprise Income Tax	8,514	(206)
	<u>7,073</u>	<u>(206)</u>
Deferred tax		
Current period	(1,354)	(187)
	<u>(1,354)</u>	<u>(187)</u>
	<u>47,433</u>	<u>33,058</u>

Hong Kong Profits Tax was calculated at 16.5% of the estimated assessable profits for both periods.

Macau Complementary Tax was calculated at 12% of the estimated assessable profits for both periods.

Singapore Corporate Income Tax was calculated at 17% of the estimated assessable profits for both periods.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries was 25% for both periods. Two PRC subsidiaries obtained approval from the relevant tax bureaus and are qualified as High and New Technology Enterprises which are entitled to a tax reduction from 25% to 15%.

## 7. PROFIT FOR THE PERIOD

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Profit for the period has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	8,131	8,701
Depreciation of right-of-use assets	7,502	8,532
	<b>15,633</b>	<b>17,233</b>
Cost of inventories recognised as expenses in respect of		
External revenue	52	292
Inter-segment revenue	173,461	82,228
	<b>173,513</b>	<b>82,520</b>
Write-down of inventories to net realisable value (included in cost of sales)	<b>741</b>	482
Contract costs recognised as expenses		
Fitting-out works ( <i>note</i> )	2,372,565	1,852,369
Alteration and addition and construction works	7,839	10,422
	<b>2,380,404</b>	<b>1,862,791</b>
Research and development expenses (included in other expenses)	<b>30,852</b>	36,159
Staff costs		
Gross staff costs (including Directors' emoluments)	239,092	211,584
Less: Staff costs included in contract costs, inventories and research and development expenses	(167,884)	(158,946)
	<b>71,208</b>	<b>52,638</b>
Gross rental income from investment properties	(4,540)	(3,358)
Less: Direct operating expenses incurred for investment properties that generated rental income during the period	575	431
	<b>(3,965)</b>	<b>(2,927)</b>

*Note:* Contract costs of fitting-out works recognised as expenses included cost of inventories recognised as expenses of HK\$173,461,000 (Previous Period: HK\$82,228,000).



## 10. TRADE AND OTHER RECEIVABLES AND BILLS RECEIVABLE

Trade and other receivables and bills receivable at the end of each reporting period comprised receivables from third parties as follows:

	At 30 June 2024 <i>HK\$'000</i> <i>(Unaudited)</i>	At 31 December 2023 <i>HK\$'000</i> <i>(Audited)</i>
Trade receivables (gross carrying amount)		
Fitting-out works	1,869,313	1,653,705
Alteration and addition and construction works	1,143	1,113
Manufacturing, sourcing and distribution of interior decorative materials	1,381	1,391
	<u>1,871,837</u>	<u>1,656,209</u>
Less: Allowance for credit losses	(69,475)	(70,447)
Trade receivables (net carrying amount)	<u>1,802,362</u>	<u>1,585,762</u>
Unbilled receivables (gross carrying amount) <i>(note)</i>	947,192	1,050,804
Less: Allowance for credit losses	(100,800)	(99,106)
Unbilled receivables (net carrying amount)	<u>846,392</u>	<u>951,698</u>
Other receivables (gross carrying amount)	142,444	173,768
Less: Allowance for credit losses	(17,591)	(19,013)
Other receivables (net carrying amount)	<u>124,853</u>	<u>154,755</u>
Bills receivable (gross carrying amount)	4,524	11,958
Less: Allowance for credit losses	(33)	(375)
Bills receivable (net carrying amount)	<u>4,491</u>	<u>11,583</u>
Prepayments and deposits	<u>359,886</u>	<u>498,247</u>
	<u><b>3,137,984</b></u>	<u><b>3,202,045</b></u>

*Note:* Unbilled receivables represented the remaining balances of contract receivables to be billed for completed portion of construction contracts according to the contract terms.

## Trade receivables

The Group allows a credit period of 7 to 60 days to its trade customers. The following was an ageing analysis of trade receivables, net of allowance for credit losses, presented based on invoice date at the end of each reporting period.

	At <b>30 June</b> <b>2024</b> <i>HK\$'000</i> <i>(Unaudited)</i>	At 31 December 2023 <i>HK\$'000</i> <i>(Audited)</i>
1–30 days	588,767	571,414
31–60 days	336,156	254,649
61–90 days	70,031	212,486
Over 90 days	807,408	547,213
	<u>1,802,362</u>	<u>1,585,762</u>

## Bills receivable

As at 30 June 2024, the carrying amount of bills receivable amounting to HK\$4,491,000 (31 December 2023: HK\$11,583,000) were held by the Group for settlement. All bills receivable held by the Group were with a maturity period of less than one year.

Ageing of bills receivable, net of allowance for credit losses, was as follows:

	At <b>30 June</b> <b>2024</b> <i>HK\$'000</i> <i>(Unaudited)</i>	At 31 December 2023 <i>HK\$'000</i> <i>(Audited)</i>
1–30 days	1,330	3,882 <sup>(Note)</sup>
31–60 days	161	543
61–90 days	1,089	–
Over 90 days	1,911	7,158
	<u>4,491</u>	<u>11,583</u>

*Note:* As at 31 December 2023, the relevant bills receivable amounting to HK\$1,401,000 were issued by a related company in which Mr. Liu Zaiwang (“**Mr. Liu**”), the non-executive Director and a controlling shareholder of the Company, and his spouse have beneficial interest.

## 11. AMOUNTS DUE FROM RELATED COMPANIES

The amounts due from related companies, in which Mr. Liu and his spouse have beneficial interest.

	At 30 June 2024 <i>HK\$'000</i> <i>(Unaudited)</i>	At 31 December 2023 <i>HK\$'000</i> <i>(Audited)</i>
Trade receivables	301	303
Other receivables	993	2
	<u>1,294</u>	<u>305</u>

### Trade receivables from related companies

The Group allows a credit period of 30 days to its trade receivables due from related companies. As at 30 June 2024 and 31 December 2023, trade receivables due from related companies were aged over 90 days based on invoice date.

### Other receivables from a related company

As at 30 June 2024 and 31 December 2023, other receivables represented rent receivables from a related company.

## 12. AMOUNTS DUE FROM FELLOW SUBSIDIARIES

The Group allows a credit period of 30 days to its trade receivables due from fellow subsidiaries. The following was an ageing analysis of trade receivables due from fellow subsidiaries presented based on invoice date at the end of each reporting period.

	At 30 June 2024 <i>HK\$'000</i> <i>(Unaudited)</i>	At 31 December 2023 <i>HK\$'000</i> <i>(Audited)</i>
1–30 days	5,969	1,721
Over 90 days	1,039	–
	<u>7,008</u>	<u>1,721</u>

### 13. TRADE AND OTHER PAYABLES

Trade and other payables at the end of the reporting period comprised amounts outstanding for trade purposes and daily operating costs. The credit period taken for trade purchase is 7 to 45 days.

	At 30 June 2024 <i>HK\$'000</i> <i>(Unaudited)</i>	At 31 December 2023 <i>HK\$'000</i> <i>(Audited)</i>
Contract creditors and suppliers	1,741,979	2,123,533
Retentions payable	455,520	482,305
	<u>2,197,499</u>	<u>2,605,838</u>
Other tax payables	138,422	164,673
Other payables and accruals	92,015	142,797
	<u>2,427,936</u>	<u>2,913,308</u>

The ageing analysis of contract creditors and suppliers was stated based on invoice date as follows:

	At 30 June 2024 <i>HK\$'000</i> <i>(Unaudited)</i>	At 31 December 2023 <i>HK\$'000</i> <i>(Audited)</i>
1–30 days	1,096,351	1,342,278
31–60 days	154,293	163,374
61–90 days	70,873	99,361
Over 90 days	420,462	518,520
	<u>1,741,979</u>	<u>2,123,533</u>

As at 30 June 2024, the Group's retentions payable of HK\$273,351,000 (31 December 2023: HK\$285,930,000) were expected to be paid after one year.

### 14. BILLS PAYABLE

As at 30 June 2024 and 31 December 2023, certain bills payable were secured by certain pledged bank deposits and were repayable as follows:

	At 30 June 2024 <i>HK\$'000</i> <i>(Unaudited)</i>	At 31 December 2023 <i>HK\$'000</i> <i>(Audited)</i>
1–30 days	152,354	147,506
31–60 days	99,731	105,873
61–90 days	60,816	112,226
Over 90 days	269,508	238,468
	<u>582,409</u>	<u>604,073</u>



## MANAGEMENT DISCUSSION AND ANALYSIS

### MARKET REVIEW

During the Period, Hong Kong's economy experienced a moderate growth, having benefitted from the sustained revival of visitor arrivals and the continued increase in exports of travel and transport services. In addition, the total exports of goods further improved and private consumption and overall investment expenditure expanded slightly. According to the Census and Statistics Department (the "C&SD") of the government of Hong Kong (the "**Hong Kong Government**"), Hong Kong's gross domestic product ("**GDP**") increased by 2.7% year-on-year in real terms in the first quarter of 2024.

According to the provisional results of the "Report on the Quarterly Survey of Construction Output" published by the C&SD, the total gross value of construction works carried out by main contractors in Hong Kong increased by 8.7% year-on-year in nominal terms to HK\$68.7 billion in the first quarter of 2024, whilst the gross value of construction works carried out at private sector sites increased by 20.8% year-on-year in nominal terms to HK\$21.8 billion in the first quarter of 2024. Meanwhile, the gross value of construction works carried out at construction sites in respect of residential building projects increased by 48.4% year-on-year in nominal terms to HK\$20.1 billion in the first quarter of 2024. In February 2024, the Hong Kong Government removed its demand-side management measures for residential properties. At the same time, Hong Kong Monetary Authority also relaxed the maximum loan-to-value ratio for property mortgage loans and supervisory requirements for property loans. As market sentiments improved, the local residential property market turned active, thus driving an increase in demand for fitting-out works in Hong Kong.

Information from the Statistics and Census Service of the government of Macau (the "**Macau Government**") indicated that Macau's GDP increased by 25.7% year-on-year in real terms in the first quarter of 2024, benefiting from the continued growth of exports of services, coupled with the continued stabilisation of private consumption and gross fixed capital formation, and the further recovery of Macau's economy. Visitor arrivals increased by 79.4% year-on-year to 8.9 million in the first quarter of 2024, driving exports of gaming services and other tourism services to increase by 62.7% and 14.8% year-on-year, respectively. Meanwhile, the gross gaming revenue increased by 65.5% year-on-year to Macau Pataca ("**MOP**") 57.3 billion in the first quarter of 2024. Moreover, private construction investment increased by 10.4% year-on-year in real terms in the first quarter of 2024 due to an increase in investments in residential properties and construction projects of gaming enterprises. With the recovery of Macau's entertainment and hospitality industries, related construction projects have been accelerated, and the demand for fitting-out works in Macau has also increased.

According to the preliminary estimates of the National Bureau of Statistics of China, the PRC's GDP increased by 5.0% year-on-year to Renminbi ("**RMB**") 61,683.6 billion in the first half year of 2024, whilst the gross output value of the construction industry increased by 4.8% year-on-year to RMB13,831.2 billion over the same period. However, in the first half of 2024, investments in real estate development decreased by 10.1% year-on-year to

RMB5,252.9 billion, among which, investments in residential properties decreased by 10.4% year-on-year to RMB3,988.3 billion. The total floor space of properties under construction by the PRC's property developers decreased by 12.0% year-on-year to 6,968.2 million square metres ("m<sup>2</sup>") in the first half year of 2024, of which the floor space of residential properties under construction decreased by 12.5% year-on-year to 4,874.4 million m<sup>2</sup>. Furthermore, many property developers have yet to resolve the credit and liquidity challenges inherited from previous years. Coupled with a lack of confidence in the general market, the real estate industry in the PRC continued to be weak, and the fitting-out industry in the PRC was inevitably affected.

## BUSINESS REVIEW

The Group is one of the leading integrated fitting-out contractors in Hong Kong, Macau, Singapore and the PRC, specialising in providing professional fitting-out works for commercial buildings, hotels and residential properties. The Group also engages in the provision of alteration and addition and construction works in Hong Kong; and manufacturing in the PRC of, and international sourcing and distribution of, interior decorative materials. During the Period, approximately 99.9% of the Group's revenue was derived from its fitting-out business.

Despite the macro-economic and geopolitical uncertainties during the Period, the Group demonstrated resilience by reacting promptly against the ever-changing market conditions and complex environments, whilst focusing on the capture of new market opportunities and striving to enhance operational efficiency, in order to strengthen its long-term competitiveness. It also adopted a disciplined cost management to optimise resource utilisation and efficiency. Leveraging its strong reputation and brand image, the Group is committed to maintaining solid customer relationships by providing high-quality and indispensable services. During the Period, the Group successfully obtained a number of large-scale and high-end fitting-out projects. These premium orders further consolidated the Group's competitive edge in the market.

### **Fitting-out works**

The Group's fitting-out business primarily comprises fitting-out works carried out for commercial buildings, hotels, residential properties, serviced apartments and other properties in Hong Kong, Macau, Singapore and the PRC. During the Period, the fitting-out business remained a key contributor to the Group's revenue and profit.

During the Period, the Group completed a total of 16 fitting-out projects, including 4 in Hong Kong, 1 in Macau, 1 in Singapore and 10 in the PRC. The total contract sum of such projects amounted to HK\$2,039.2 million, out of which HK\$203.9 million was recognised as revenue during the Period. As at 30 June 2024, the Group had 162 projects on hand (including contracts in progress and contracts signed but yet to commence), including 38 in Hong Kong, 3 in Macau, 3 in Singapore and 118 in the PRC. The total contract sum and value of the outstanding works of such projects as at 30 June 2024 amounted to HK\$12,092.3 million and HK\$5,895.9 million, respectively.

During the Period, the Group's revenue derived from its fitting-out business increased by HK\$639.1 million or 30.1% year-on-year to HK\$2,762.9 million (Previous Period: HK\$2,123.8 million). Such increase was mainly attributable to a number of sizeable fitting-out projects carried out in Hong Kong and Singapore during the Period. As a result, the Group's revenue derived from its fitting-out business in Hong Kong and Singapore increased by HK\$600.3 million, as compared to the Previous Period.

The Group's gross profit derived from its fitting-out business during the Period increased by HK\$118.7 million or 43.8% year-on-year to HK\$389.6 million (Previous Period: HK\$270.9 million). The increase in gross profit was mainly attributable to the increase in revenue and the slight increase of gross profit margin of its fitting-out business from 12.8% for the Previous Period to 14.1% for the Period.

### **Alteration and addition and construction works**

The Group carried out alteration and addition and construction business, including construction, interior decoration, repair, maintenance and alteration and addition works, in Hong Kong.

During the Period, the Group did not complete any alteration and addition and construction projects.

During the Period, the Group's revenue derived from its alteration and addition and construction business decreased by HK\$8.0 million or 72.7% year-on-year to HK\$3.0 million (Previous Period: HK\$11.0 million). Such decrease was primarily attributable to the Group not having tendered for any alteration and addition and construction projects in the past years.

The Group's gross loss derived from its alteration and addition and construction business was HK\$4.8 million during the Period (Previous Period: gross profit of HK\$0.6 million), whilst the gross loss margin was 160.0% (Previous Period: gross profit margin of 5.5%).

### **Manufacturing, sourcing and distribution of interior decorative materials**

One of the Group's core competencies lies in its manufacturing base and research and development centre in the PRC. Through the Group's subsidiary, 東莞承達家居有限公司 (Dongguan Sundart Home Furnishing Co., Ltd.\*) ("**Dongguan Sundart**"), the Group operates a manufacturing plant and a warehouse located in Dongguan, Guangdong Province, the PRC, the aggregate gross floor area of which is over 40,000 m<sup>2</sup>. Dongguan Sundart manufactures interior decorative timber products including fire-rated timber doors and wooden furniture, and provides quality and reliable re-engineering and pre-fabrication services for sizeable fitting-out projects undertaken by the Group.

During the Period, the Group's revenue of its manufacturing, sourcing and distribution of interior decorative materials business derived from external customers decreased by HK\$0.1 million or 33.3% year-on-year to HK\$0.2 million (Previous Period: HK\$0.3 million). Such decrease was primarily attributable to the reduced acceptance in orders from external customers due to the reservation of certain manufacturing capacity of Dongguan Sundart for the fitting-out projects carried out by other subsidiaries of the Group.

In addition, the Group's gross profit derived from its manufacturing, sourcing and distribution of interior decorative materials business was HK\$0.14 million during the Period (Previous Period: HK\$0.05 million), whilst the gross profit margin was 70.0% (Previous Period: 16.7%). Such gross profit and gross profit margin for the Period mainly generated from an order made by a PRC's customer with relatively high gross profit margin.

## FINANCIAL REVIEW

### **Revenue, gross profit and gross profit margin**

During the Period, the Group's revenue increased by HK\$630.9 million or 29.5% year-on-year to HK\$2,766.1 million (Previous Period: HK\$2,135.2 million), its gross profit increased by HK\$113.3 million or 41.7% year-on-year to HK\$384.9 million (Previous Period: HK\$271.6 million) and its gross profit margin increased to 13.9% (Previous Period: 12.7%). Such increases in revenue, gross profit and gross profit margin were primarily due to the increase in its fitting-out business as discussed under the paragraph headed "Business Review – Fitting-out works" above.

### **Other income, other gains and losses**

The Group recorded net other losses of HK\$27.8 million for the Period (Previous Period: net other income of HK\$20.5 million) which is primarily due to the increase in net loss from fair value changes of financial assets at FVTPL by HK\$40.3 million as compared to the Previous Period. Details of other income, other gains and losses are set out in note 5 to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income in this announcement.

### **Profit for the period**

The Group's profit for the period increased by HK\$53.6 million or 47.2% year-on-year to HK\$167.2 million (Previous Period: HK\$113.6 million) as a result of the increase in gross profit as discussed above.

### **Basic and diluted earnings per share**

The Company's basic and diluted earnings per share for the Period was HK7.75 cents (Previous Period: HK5.26 cents), increased by HK2.49 cents or 47.3% year-on-year, which is in line with the increase in profit for the period. Details of earnings per share are set out in note 9 to the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income in this announcement.

## **Material acquisition and disposal**

No material acquisition and disposal of subsidiaries, associates and joint ventures was carried out by the Group during the Period.

## **Investments**

### ***Financial assets at FVTPL***

As at 30 June 2024, the Group's financial assets at FVTPL comprised HK\$16.6 million, HK\$20.0 million and HK\$34.9 million (31 December 2023: HK\$14.8 million, HK\$59.0 million and nil) of listed equity securities, unlisted equity fund and financial products, respectively.

During the Period, the Group purchased HK\$34.9 million of financial products. Further, the Group recognised net fair value loss of HK\$37.2 million in profit or loss in respect of the financial assets at FVTPL, primarily as a result of a decrease in the market price of unlisted equity fund.

### ***Other financial assets at amortised cost***

As at 30 June 2024, the Group's other financial assets at amortised cost represented three corporate bonds traded in the secondary market in the amount of HK\$9.5 million, the last of which will mature on 15 November 2024 with fixed interest rate at 5.75% per annum.

In terms of the prospects of the Group's financial assets at FVTPL, the performance of the listed equity securities, unlisted equity fund and financial products held by the Group will be subject to the performance of the relevant financial and property markets which may change rapidly and unpredictably in the future. As to other financial assets at amortised cost, the Group will achieve a steady investment return until the redemption by their respective issuers.

None of the above financial assets at FVTPL and other financial assets at amortised cost held by the Group had a value of 5% or more of the total assets of the Group, and the Group did not hold any significant investments during the Period.

The Group will continuously adopt a prudent investment strategy and assess the performance of its portfolio of investments so as to make timely and appropriate adjustments on its investments for the maximisation of returns to the Shareholders. In addition, as the Group is subject to the market risks associated with its investments, the management of the Group will closely monitor the performance of the Group's investments from time to time and take appropriate risk management actions.

## **Future plans for material investments or capital assets**

As at the date of this announcement, the Group did not have any plans for material investments or capital assets.

## CORPORATE FINANCE AND RISK MANAGEMENT

### **Liquidity and financial resources and capital structure**

The management and control of the Group's financial, capital management and external financing functions are centralised at its headquarters in Hong Kong. The Group adheres to the principle of prudent financial management to minimise the financial and operational risks it is exposed to. During the Period, the Group mainly relied on internally generated funds to finance its business operations.

During the Period, the Group continued to maintain solid financial and cash positions. As at 30 June 2024, the Group's net current assets amounted to HK\$3,043.2 million, representing an increase of HK\$140.5 million from HK\$2,902.7 million as recorded as at 31 December 2023. The Group's bank balances and cash amounted to HK\$1,614.3 million, representing a decrease of HK\$262.4 million from HK\$1,876.7 million as recorded as at 31 December 2023. Such decrease was mainly resulting from the use of funds for operating activities.

As at 30 June 2024, the bank borrowings of the Group amounted to HK\$33.1 million (31 December 2023: HK\$0.3 million), out of which HK\$33.1 million and nil (31 December 2023: HK\$0.2 million and HK\$0.1 million) will be repayable within one year and more than one year but not exceeding two years, respectively. There is no seasonality on the Group's bank borrowings.

During the Period, the Group continued to maintain a healthy liquidity position. As at 30 June 2024, the Group's current assets and current liabilities amounted to HK\$6,346.7 million and HK\$3,303.4 million, respectively (31 December 2023: HK\$6,701.1 million and HK\$3,798.4 million, respectively). The Group's current ratio as at 30 June 2024 increased to 1.9 (31 December 2023: 1.8). The Group maintained sufficient liquid assets to finance its business operations during the Period.

As at 30 June 2024, the Group's gearing ratio of total debts (bank borrowings) divided by total equity was 0.9% (31 December 2023: 0.01%). The increase in gearing ratio was primarily due to the increase in the Group's bank borrowings.

As at 30 June 2024, the share capital and equity attributable to owners of the Company amounted to HK\$1,246.8 million and HK\$3,596.4 million, respectively (31 December 2023: HK\$1,246.8 million and HK\$3,442.3 million, respectively).

### **Charge on the Group's assets**

The Group's assets pledged for securing certain bank borrowings, certain bills payable, certain performance bonds and certain tender bonds comprised a commercial property and pledged bank deposits, which amounted to HK\$84.4 million and HK\$50.9 million, respectively as at 30 June 2024 (31 December 2023: HK\$86.2 million and HK\$52.2 million, respectively).

## **Contingent liabilities and capital commitments**

The Group did not have any significant contingent liabilities as at 30 June 2024 and 31 December 2023, respectively.

As at 30 June 2024, the Group had capital commitments of HK\$14.6 million (31 December 2023: HK\$0.05 million) in relation to purchases of property, plant and equipment.

## **Exposure to fluctuations in exchange rates and interest rates and corresponding hedging arrangements**

The Group operates in various regions with different foreign currencies including Euro, MOP, RMB, Singapore dollars and United States dollars. As at 30 June 2024, the Group's bank borrowings of HK\$0.2 million were made in Hong Kong dollars (“HK\$” or “HK dollars”) at floating rates, and cash and cash equivalents held were mainly in HK dollars, RMB and Singapore dollars. As at the date of this announcement, the Group did not implement any foreign currencies and interest rates hedging policies. The Group's management will closely monitor the movement of both exchange rate and interest rate and will consider to hedge against any significant aforesaid exposure when necessary.

## **Credit risk exposure**

Though the Group's major customers are reputable property developers, hotel owners and main contractors, since 2020, the Group experienced delay in settlement of its PRC projects by property developers of the PRC, many of which experienced downgrading of credit ratings by international credit rating agencies. Considering the Group's historical credit losses, the current and forecasts of economic conditions of the PRC, forward-looking factors and prospects of the real estate industry of the PRC, and taking into account the credit risk characteristics of different projects, the Group has assessed the individual's expected credit loss rate as well as the impairment losses under its expected credit loss model. Nonetheless, the Group will continue to monitor and strengthen its collection measures and adopt prudent credit policies to mitigate credit risk exposure. Save as disclosed herein, the Group was not exposed to any significant credit risk during the Period. The Group's management reviews the recoverability of trade receivables and closely monitors the financial position of the customers from time to time with a view of keeping the Group's credit risk exposure at a reasonably low level.

## **EVENTS AFTER THE REPORTING PERIOD**

There are no significant events subsequent to the Period and up to the date of this announcement which had materially affected the Group's operating and financial performance.

## EMPLOYEES AND REMUNERATION POLICIES

The Group remunerates its employees based on performance, experience and the prevailing industry practice. Discretionary bonuses and share options may also be granted to eligible staff based on individual performance in recognition of their contribution and hard work. The Group also provides training programmes for its employees to equip themselves with requisite skills and knowledge.

As at 30 June 2024, the Group had 1,757 employees (31 December 2023: 1,782 employees). The Group's gross staff costs (including the Directors' emoluments) increased by HK\$27.5 million or 13.0% year-on-year to HK\$239.1 million for the Period (Previous Period: HK\$211.6 million). Such increase was mainly attributable to the increase in salaries following the annual salary review and special bonuses paid during the Period.

## PROSPECTS AND STRATEGIES

Since 2024, the government of the PRC (the “**PRC Government**”) has introduced a number of preferential measures to Hong Kong, injecting greater momentum into Hong Kong's economy and boosting confidence in its prospects. These measures include raising the duty-free allowance for luggage and articles brought into the PRC from Hong Kong and Macau by travellers who are PRC residents to RMB15,000, which is expected to bring an additional shopping expenditure of HK\$8.8 billion to HK\$17.6 billion, and economic value added of HK\$2.7 billion to HK\$5.4 billion to Hong Kong per year. Furthermore, the Individual Visit Scheme has been expanded to 59 cities, covering capital cities of all provinces and autonomous regions in the PRC, and the introduction of high-speed sleeper trains connecting Hong Kong to Beijing and Shanghai has significantly enhanced accessibility. These measures will boost various tourism-related industries such as retail and hospitality, and stimulate the overall economy in Hong Kong.

The Hong Kong Government is also vigorously promoting the mega event economy, with over 210 mega events throughout 2024. These events are estimated to attract approximately 1.7 million visitors, generate in consumption of around HK\$7.2 billion, and lead to an economic gain of about HK\$4.3 billion. On the other hand, the Federal Reserve System of the United States has hinted at a relaxation of its interest rate policy, which is expected to have a positive impact on the property market in Hong Kong. Moreover, the Hong Kong Government has launched a number of talent attraction schemes, including the Top Talent Pass Scheme, Admission Scheme for Mainland Talents and Professionals, Technology Talent Admission Scheme and Quality Migrant Admission Scheme. It is expected that new immigrants will support the demand for housing rental in the long-term, thereby sustaining a stable demand for fitting-out works in Hong Kong. The Group will closely monitor market developments and flexibly deploy strategies to capture market opportunities.



The PRC Government has also introduced a number of favourable measures to Macau in 2024, including that the PRC's tourists participating in group tours can travel in and out of Macau via the Hengqin port multiple times within a 7-day period. These measures will inject new momentum into the integrated development of Hengqin and Macau, as well as diversify the development of Macau's economy. Additionally, non-Chinese permanent residents of Hong Kong and Macau can apply for Mainland Travel Permits for Hong Kong and Macau Residents (Non-Chinese Citizens), further creating more favourable conditions for promoting its economic diversification. Furthermore, the opening of the Shenzhen-Zhongshan Link will attract more tourists from Guangdong-Hong Kong-Macao Greater Bay Area (the "**Greater Bay Area**") to visit Macau.

2024 also marks the 25th anniversary of the establishment of Macau. The Macao Government Tourism Office will launch a series of large-scale events in the second half of 2024, including the 32nd Macau International Fireworks Display Contest, Tray Race for the 2024 World Tourism Day and Light Up Macao 2024. Many integrated resorts in Macau also hosted a number of world-class events and concerts to attract tourists from around the world to support the Macau Government's implementation of the "1+4" strategy and the "tourism+" development strategy of big health industry, modern financial services, high technology, conferences and exhibitions, commerce and trade, as well as culture and sports, so as to promote the diversified development of Macau's economy and develop Macau into a world centre of tourism and leisure. As Macau's commercial development continues to expand, it is expected that a number of construction projects will commence or will be ongoing, sustaining a stable demand for the fitting-out industry in Macau. The Group will fully leverage its brand value to secure more development opportunities.

The PRC Government has launched a number of measures to boost the property market in 2024. The Political Bureau of the Communist Party of China Central Committee called for research on policies and measures to reduce housing inventory and improve the quality of newly built homes, and emphasised on establishing a new model of real estate development to promote high-quality development of real estate. The People's Bank of China announced to create a RMB300 billion relending facility to support local state-owned enterprises to purchase completed yet unsold commodity housing at reasonable prices, which will then be used to provide affordable housing. Also, the minimum down payment ratio for personal housing loans was lowered to no less than 15% for the first time home buyers, and 25% for the second time home buyers. Moreover, the lower limit on the interest rate policy for first and second housing loans at the national level has also been abolished, and the provincial branches of the People's Bank of China can independently determine the lower limit of the interest rate of personal housing loans based on local conditions. Furthermore, the loan rate of individual housing provident fund was reduced by 0.25%. The executive meeting of the State Council emphasised that while effectively implement existing policies, it is necessary to continue to study new strategies to stabilise the market and reduce the housing inventory. The Group will conduct an in-depth analysis of macro-economic conditions and national policies, and will focus on high-quality projects in the PRC and develop its business prudently.

Looking ahead, geopolitical tensions and rigorous monetary tightening undertaken by advanced economies over the past few years will continue to affect global economic growth and investment flows in the short term. Faced with the challenging external environment, the Group will improve its operational and management models, and optimise its business layout in view of the strengths, opportunities and characteristics of different markets. The Group will also seize the development opportunities brought by the deepening integration of Hong Kong and Macau with the Greater Bay Area, and further consolidate its market share in Hong Kong, Macau and the PRC. Meanwhile, the Group will leverage the business opportunities brought by the Belt and Road Initiative, and prudently explore the project expansion opportunities in mature markets in Southeast Asia, with its outstanding project performance and renowned brand reputation, in order to identify premium customers and new contracts with stable cash flows and high expectations for quality fitting-out works, which will become the driving momentum for the Group's sustainable growth. Leveraging the Group's flexibility and adaptability, the Group will be able to respond proactively to the ever-evolving macro-economic landscape, and will solidify its position as a reputable market leader.

## **CORPORATE GOVERNANCE AND OTHER INFORMATION**

### **INTERIM DIVIDEND**

The Board did not recommend the payment of an interim dividend for the Period.

### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

### **CORPORATE GOVERNANCE**

The Company is committed to achieving and maintaining high standards of corporate governance and has established policies and procedures in compliance with the principles and the code provisions as set out in the Corporate Governance Code as contained in Appendix C1 to the Listing Rules (the "**CG Code**") set out from time to time.

The Company has applied the principles of and complied with the CG Code during the Period, except for the following deviation:

Code provision C.1.6 of the CG Code specifies that the independent non-executive Directors and other non-executive Directors should attend general meetings of the Company to gain and develop a balanced understanding of the views of the Shareholders. An independent non-executive Director and a non-executive Director were absent from the last annual general meeting of the Company held on 19 June 2024 due to their other business commitments.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its own code of conduct regarding Directors’ securities transactions. Specific enquiry has been made with all the Directors and all of them confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the Period. The Company has adopted the same Model Code for securities transactions by employees who are likely to be in possession of inside information of the Company. To the best knowledge of the Directors, there was no incident of non-compliance with the Model Code by the relevant employees during the Period.

## REVIEW OF INTERIM RESULTS

The audit committee of the Board has reviewed and discussed the accounting principles and policies adopted by the Group, the financial information of the Group and the unaudited consolidated interim results of the Group for the Period with the Group’s management and the external auditor.

## PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the respective websites of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (www.hkexnews.hk) and the Company (www.sundart.com). The interim report of the Company for the Period containing all the information required by the Listing Rules will be published on the respective websites of the Stock Exchange and the Company and despatched to the Shareholders in due course.

## APPRECIATION

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as its Shareholders, business partners and other professional parties for their support throughout the Period.

\* *The English translation of the Chinese name of the company established in the PRC is for identification purpose only.*

By order of the Board  
**SUNDART HOLDINGS LIMITED**  
**承達集團有限公司**  
**Ng Tak Kwan**

*Chief Executive Officer and Executive Director*

Hong Kong, 29 August 2024

*As at the date of this announcement, the executive Directors are Mr. Ng Tak Kwan, Mr. Ng Chi Hang, Mr. Ding Jingyong, Mr. Guan Yihe and Mr. Xie Jianyu; the non-executive Director is Mr. Liu Zaiwang; and the independent non-executive Directors are Ms. Tam Yin Ming Cecilia, Mr. Huang Pu and Mr. Li Zheng.*