

【For immediate release】



Sundart International Holdings Limited

Form Strategic Alliance with Kailong REI Further Develop Sales Network in Greater China

(16 September 2010 – Hong Kong) – **Sundart International Holdings Limited** ("Sundart" or the "Company", together with its subsidiaries, the "Group"; stock code: 2288) announced today the formation of a strategic alliance with Kailong REI Holdings Limited ("Kailong REI") by entering into a share subscription agreement with Kailong REI (the "Share Subscription").

Pursuant to the agreement, the Group subscribed for 2,936 ordinary shares of US\$0.10 each, representing 29.36% interests in Kailong REI for a cash consideration of US\$2,667,500 (HK\$20,806,500). Kailong REI holds 54.02% of the issued share capital of Kailong REI Project Investment Consulting (Hong Kong) Co. Ltd. ("Kailong Hong Kong") which undertakes real estate investment, asset management and fund management business in the Greater China region.

The consideration for the Share Subscription was funded through the Group's internal cash resources. In connection with the Share Subscription, the Group has also entered into Shareholders' Deed which sets out the financial, managerial, administrative and other arrangements with Kailong REI.

Commenting on the transaction, Mr. CHAN William, Chairman of Sundart, stated, "We are pleased to form a strategic alliance with Kailong REI, which marks more comprehensive and further extension of Sundart's business. It provides an opportunity to develop our sales network and to increase sales in the Greater China region, and creates future investment opportunities in real estate projects to generate greater returns to our shareholders. We believe the alliance brings synergy and favorable fundamentals for further development to both Sundart and Kailong REI."

Mr. Hei Ming Cheng, Chief Executive of Kailong REI, commented, "With the one-stop solution and the established team of Sundart to work on the fitting-out portions of the renovation or development, we believe that Sundart is capable to add value to our future real estate projects. We look forward to a thriving collaboration with brilliant prospects together with Sundart in future."

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About Sundart International Holdings Limited

Sundart is one of the leading integrated fitting-out contractors in Hong Kong and Macau specializing in providing professional, up-market and cost-saving fitting-out contracting services for sizeable residential, commercial and hotel projects. Capitalizing on the professional knowledge, technical know-how, and solid experience, Sundart is dedicated to transforming ideas into a full range of fitting-out solutions from project planning, consultancy on the interior design of the architecture, fitting-out materials sourcing and procurement, project execution and management, quality assurance to after-sales services.

About Kailong REI

Kailong REI is an investment holding company that undertakes, through Kailong Hong Kong and the subsidiaries, real estate investment, asset management and fund management in the Greater China region. Kailong Hong Kong was founded in 2004 and its shareholders comprise of renowned institutional investors such as Cargill and Secured Capital Japan, which have extensive experience in institutional real estate capital markets around the world. In China, their investment focus lies in major markets such as Shanghai, Beijing, Guangzhou, Shenzhen and other major second-tier cities. Their investment clients include CarVal Investors, Secured Capital Japan, Citigroup and AEW etc.

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