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Sundart to Sell Majority Stake of Fitting-Out Business to Concentrate on Real Estate Development

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Sundart to sell 85% of fitting-out business for HK\$493 million, funds to support development of real estate business in Greater China

Hong Kong, May 16, 2012 – Sundart International Holdings Limited (“Sundart” or the “Company, together with its subsidiaries, the “Group”; SEHK: 2288) today announced that it has entered into an Agreement to sell 85% of Sundart Holdings Limited to Jangho Curtain Wall HongKong Limited (a wholly-owned subsidiary of Beijing Jangho Curtain Wall Co., Ltd.) for HK\$493 million.

The Group intends to use the majority of sale proceeds to further develop and expand its growing commercial real estate development business in Greater China, which could result in better growth prospects for the Group and higher profit margins for shareholders.

Approximately HK\$488 million of the sale proceeds, along with around HK\$113.6 million of unutilised proceeds from the Global Offering of the Group, will be set aside as working capital for future investments. This may include acquiring further interest in Kailong REI Holdings Limited (“Kailong REI”), in which the Group already holds a 29.36% interest. Kailong REI currently manages two real estate funds with a total capital of RMB650 million in Mainland China and will invest in around RMB1.2 billion worth of property.

Since listing shares on the Hong Kong Stock Exchange in 2009, the Group has encountered a number of uncontrollable challenges that have limited its growth and profitability prospects. This includes intense competition in Hong Kong, excessive operational and funding risk for fitting-out projects in Mainland China, and government policy changes, such as the cap on gambling tables in Macau.

In order to access new sources of revenue, the Group entered the real estate development sector in 2010. The Agreement therefore offers a unique opportunity for the Group to further shift into this sector,

In addition to the Group’s stake in Kailong REI, the Group’s real estate assets also include a large-scale redevelopment project in Kwun Tong, with a net book value of approximately HK\$768 million as at 31 January 2012.

Mr. William Chan, Chairman of Sundart, commented, “Since 1988, Sundart has led the fitting-out industry in Hong Kong and Macau and we are incredibly proud of our achievements. However, as we reach our limits in both markets, this Agreement will

allow us to pursue a more promising future and seek better returns for our shareholders.”

Consideration for the sale was determined during arm’s length negotiations between the two parties with reference to the net asset value of Sundart Holdings Limited, as at 31 January 2012, and the market capitalisation of the Group at the time of negotiation.

Upon the successful completion of the Agreement, Mr. Leung Kai Ming will resign as Executive Director and Chief Operating Officer of the Group to remain with the fitting-out business. The remainder of the Group’s senior management will continue in their existing roles.

The Agreement remains subject to shareholder approval, as well as approval from connected banks and government authorities. A circular containing more details of the Agreement, along with a notice of the Extraordinary General Meeting will be sent to shareholders on, or before, 6 June 2012.

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