

**SUNDART INTERNATIONAL HOLDINGS LTD:
IT'S A BIT OF A GAMBLE, ISN'T IT ?**

Don't Expect The Same Level Of Profitability As In The Past

With the huge amount of construction, continuing in the People's Republic of China (PRC), with thousands of high-rise, residential blocks, being built in Shanghai and Beijing, alone, along with dozens of new hotels of every description, being constructed in most parts of the country, one would think that a fitting-out contractor, based in the Hongkong Special Administrative Region (HKSAR) of the PRC, one with a reasonable reputation, would have more than a fighting chance of landing some of the plum jobs in the most-populous country of the world.

However, as one could, also, conjecture, competition in this industry, which requires little start-up capital, must be fierce – especially in the PRC.

Sundart International Holdings Ltd () (Code: 2288, Main Board, The Stock Exchange of Hongkong Ltd) has just pitched its **Initial Public Offering (IPO)**: It is a fitting-out contractor with a history of about 13 years.

The Global Offering Prospectus, dated August 11, 2009, states that the Company is Offering 114 million, one-cent Shares at a minimum Offer Price of \$HK3.33 and a maximum Offer Price of \$HK4.18 per Share.

Of the total number of Shares on Offer, only 14.40 million Shares are being Offered in the HKSAR, the remaining 129.60 million Shares, being reserved for Placing with International Investors.

The term, '*fitting-out contractor*', refers to an entity, specialising in providing professional, up-market and cost-savings, fitting-out contracting services for sizeable residential and hotel projects, the Prospectus states.

As such, Sundart International Holdings Ltd claims to be responsible for overall project implementation although it does not, directly, employ any workers, that part of the project, being carried out by subcontractors.

The Company hopes to garner about \$HK412.20 million (based on an Offer Price of about \$HK3.76, being the midway point of the Share Offer Range), that amount of money to be used as follows:

1. About \$HK123.70 million '*to finance our future fitting-out projects in the PRC ...*';
2. About \$HK70.10 million '*to set up our own procurement and pre-fabrication facility*' and for research and development;
3. About \$HK61.80 million '*to finance our future fitting-out projects in the Middle East ...*';
4. About \$HK61.80 million to be reserved for future acquisitions, not yet identified;
5. About \$HK41.20 million to finance fitting-out projects in the HKSAR and the Macau Special Administrative Region (MSAR) of the PRC;

6. About \$HK12.40 million to be used for marketing activities; and,
7. About \$HK41.20 million to be tipped into the General Working Capital Account.

An Overview

At ... [CLICK TO ORDER FULL ARTICLE](#)

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to editor@targetnewspapers.com. **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*