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 2026

FINANCIAL HIGHLIGHTS

(in million HK dollars, unless otherwise stated)

	Six months ended 30 June		
	2026	2025	
	(unaudited)	*(unaudited)*	Change
Revenue	**2,766.2**	2,282.8	21.2%
Gross profit	**344.1**	265.2	29.8%
Gross profit margin	**12.4%**	11.6%	0.8%
Profit attributable to owners of the Company	**151.3**	135.4	11.7%
Basic and diluted earnings per share *(HK cents)*	**7.00**	6.27	11.6%

	30 June 2026	31 December 2025	
	(Unaudited)	*(Audited)*	Change
Equity attributable to owners of the Company	**3,732.5**	3,615.6	3.2%

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 2026 (the "**Period**") together with the comparative figures for the six months ended 30 June 2025 (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 2026

		Six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	*(Unaudited)*
Revenue	*3*	**2,766,199**	2,282,827
Cost of sales		**(2,422,149)**	(2,017,640)
Gross profit		**344,050**	265,187
Other income, other gains and losses	*5*	**28,177**	17,339
(Allowance for) reversal of impairment losses under expected credit loss model, net		**(25,556)**	18,208
Selling expenses		**(5,074)**	(5,443)
Administrative expenses		**(130,220)**	(109,423)
Other expenses		**(17,711)**	(31,971)
Share of result of an associate		**581**	311
Share of result of a joint venture		**(9,667)**	2,713
Finance costs		**(1,014)**	(1,126)
Profit before tax		**183,566**	155,795
Income tax expense	*6*	**(32,781)**	(20,832)
Profit for the period	*7*	**150,785**	134,963

CONDENSED CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME *(Continued)*
For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Note	***HK$'000***	*HK$'000*
		(Unaudited)	*(Unaudited)*
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**58,692**	46,512
Share of other comprehensive income of an associate		**2,127**	553
Share of other comprehensive (expense) income of a joint venture		**(366)**	1,803
Other comprehensive income for the period		**60,453**	48,868
Total comprehensive income for the period		**211,238**	183,831
Profit for the period attributable to:			
Owners of the Company		**151,329**	135,358
Non-controlling interests		**(544)**	(395)
		150,785	134,963
Total comprehensive income for the period attributable to:			
Owners of the Company		**211,782**	184,226
Non-controlling interests		**(544)**	(395)
		211,238	183,831
Earnings per share			
Basic and diluted *(HK cents)*	*9*	**7.00**	6.27

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Non-current assets			
Property, plant and equipment		**601,709**	588,871
Right-of-use assets		**42,844**	45,615
Investment properties		**50,476**	53,838
Goodwill		**1,510**	1,510
Interest in an associate		**96,949**	94,241
Interest in a joint venture		**136,702**	152,435
Financial assets at fair value through profit or loss		**25,531**	21,063
Prepayments	*10*	**23,785**	11,559
Deferred tax assets		**41,333**	36,537
		1,020,839	1,005,669
Current assets			
Inventories		**40,374**	23,536
Trade and other receivables and bills receivable	*10*	**2,794,089**	2,791,505
Amounts due from fellow subsidiaries	*11*	**2,135**	2,092
Contract assets		**1,158,870**	1,115,165
Tax recoverable		**141**	844
Pledged bank deposits		**137,870**	138,272
Bank balances and cash		**1,884,475**	1,985,117
		6,017,954	6,056,531
Current liabilities			
Trade and other payables	*12*	**2,449,249**	2,605,307
Bills payable	*13*	**557,529**	528,412
Amount due to a related company		**–**	130
Amounts due to fellow subsidiaries	*14*	**908**	542
Tax payable		**70,686**	39,398
Bank borrowings		**29,317**	40,639
Lease liabilities		**13,937**	12,832
Contract liabilities		**179,861**	209,855
		3,301,487	3,437,115
Net current assets		**2,716,467**	2,619,416
Total assets less current liabilities		**3,737,306**	3,625,085

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*
At 30 June 2026

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Capital and reserves		
Share capital	**1,260,921**	1,246,815
Reserves	**2,471,540**	2,368,769
Equity attributable to owners of the Company	**3,732,461**	3,615,584
Non-controlling interests	**65**	9
Total equity	**3,732,526**	3,615,593
Non-current liabilities		
Deferred tax liabilities	**849**	817
Lease liabilities	**3,931**	8,675
	4,780	9,492
	3,737,306	3,625,085

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 amendments to HKFRS Accounting Standards, 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 2025.

Application of amendments to HKFRS Accounting Standards

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

Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11
Amendments to HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37	Disclosures about Uncertainties in the Financial Statements

None of the application of the amendments to standards 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	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	*(Unaudited)*
Contract revenue from fitting-out works	**2,712,795**	2,233,412
Contract revenue from alteration and addition and construction works	**724**	4,889
Manufacturing, sourcing and distribution of interior decorative materials	**52,680**	44,526
	2,766,199	2,282,827

For the six months ended 30 June 2026

	Fitting-out works *HK$'000* *(Unaudited)*	**Alteration and addition and construction works** *HK$'000* *(Unaudited)*	**Manufacturing, sourcing and distribution of interior decorative materials** *HK$'000* *(Unaudited)*	**Total** *HK$'000* *(Unaudited)*
Geographical markets				
The Hong Kong Special Administrative Region ("**Hong Kon**g")	**873,751**	**724**	**–**	**874,475**
The Macau Special Administrative Region ("**Macau**")	**618,344**	**–**	**–**	**618,344**
The Republic of Singapore ("**Singapore**")	**79,647**	**–**	**–**	**79,647**
The People's Republic China (the "**PRC**")	**1,141,053**	**–**	**–**	**1,141,053**
The Republic of the Philippines (the "**Philippines**")	**–**	**–**	**52,680**	**52,680**
Total	**2,712,795**	**724**	**52,680**	**2,766,199**
Timing of revenue recognition				
A point in time	**–**	**–**	**52,680**	**52,680**
Over time	**2,712,795**	**724**	**–**	**2,713,519**
Total	**2,712,795**	**724**	**52,680**	**2,766,199**

For the six months ended 30 June 2025

	Fitting-out works *HK$'000* *(Unaudited)*	Alteration and addition and construction works *HK$'000* *(Unaudited)*	Manufacturing, sourcing and distribution of interior decorative materials *HK$'000* *(Unaudited)*	Total *HK$'000* *(Unaudited)*
Geographical markets				
Hong Kong	804,665	4,889	–	809,554
Macau	268,724	–	–	268,724
Singapore	193,566	–	–	193,566
The PRC	966,457	–	–	966,457
The Philippines	–	–	44,526	44,526
Total	2,233,412	4,889	44,526	2,282,827
Timing of revenue recognition				
A point in time	–	–	44,526	44,526
Over time	2,233,412	4,889	–	2,238,301
Total	2,233,412	4,889	44,526	2,282,827

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 2026

	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	873,751	618,344	79,647	1,141,053	724	52,680	2,766,199	–	2,766,199
Inter-segment revenue	–	–	–	–	–	107,526	107,526	(107,526)	–
Segment revenue	873,751	618,344	79,647	1,141,053	724	160,206	2,873,725	(107,526)	2,766,199
Segment profit (loss)	72,827	60,027	774	22,036	(4,986)	42,037	192,715	–	192,715
Share of result of an associate									581
Share of result of a joint venture									(9,667)
Unallocated other income									22,652
Unallocated corporate expenses									(21,701)
Unallocated finance costs									(1,014)
Profit before tax									183,566

For the six months ended 30 June 2025

	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	804,665	268,724	193,566	966,457	4,889	44,526	2,282,827	–	2,282,827
Inter-segment revenue	–	–	–	–	–	131,571	131,571	(131,571)	–
Segment revenue	804,665	268,724	193,566	966,457	4,889	176,097	2,414,398	(131,571)	2,282,827
Segment profit	57,698	22,603	684	2,753	1,547	62,766	148,051	–	148,051
Share of result of an associate									311
Share of result of a joint venture									2,713
Unallocated other income									32,975
Unallocated corporate expenses									(27,129)
Unallocated finance costs									(1,126)
Profit before tax									155,795

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 results of an associate and a joint venture 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	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	*(Unaudited)*
Other income		
Service fee and entrustment fee income	**18,211**	7,033
Interest income	**16,728**	27,652
Rental income	**1,256**	2,512
Others	**1,795**	1,339
	37,990	38,536
Other gains and losses		
Gain from fair value changes of financial assets at fair value through profit or loss ("**FVTPL**")	**4,414**	2,587
Gain (loss) on disposal of property, plant and equipment	**232**	(15)
Loss from fair value changes of investment properties	**(5,331)**	(7,325)
Net foreign exchange losses	**(9,128)**	(16,444)
	(9,813)	(21,197)
	28,177	17,339

6. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	*(Unaudited)*
Current tax		
Hong Kong Profits Tax	**8,689**	7,688
Macau Complementary Tax	**14,747**	8,534
Singapore Corporate Income Tax	**97**	164
PRC Enterprise Income Tax	**12,705**	16
	36,238	16,402
Over provision in prior periods		
Hong Kong Profits Tax	**–**	94
PRC Enterprise Income Tax	**(165)**	(190)
	(165)	(96)
Deferred tax		
Current period	**(3,292)**	4,526
	32,781	20,832

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. Certain 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%.

On 6 June 2025, the Inland Revenue (Amendment) (Minimum Tax For Multinational Enterprise Groups) Ordinance 2025 was enacted to implement the Pillar Two of the Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting – the Global Anti-Base Erosion Rules ("**Pillar Two model rules**") in Hong Kong in which the Group operates. The new tax law is effective from 1 January 2025.

The new tax laws introduce a minimum top-up tax and are applicable to the Group. The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group in the current year. As such, it may not be entirely representative of future circumstances. The Group is within the scope of the Pillar Two model rules. Based on the assessment, the Group should benefit from the transitional safe harbour for all the jurisdictions in which the Group operates. Therefore, the Group does not expect potential exposure to Pillar Two "top-up" taxes. The Group continues to monitor developments relating to the Pillar Two model rules including the new tax laws.

Following the exception required by HKAS 12, the Group has not recognised deferred tax assets and liabilities, if any, related to Pillar Two income taxes.

7. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	*(Unaudited)*
Profit for the period has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	**16,306**	11,801
Depreciation of right-of-use assets	**7,279**	6,959
	23,585	18,760
Cost of inventories recognised as expenses in respect of		
External revenue	**4,972**	33,203
Inter-segment revenue	**73,488**	53,536
	78,460	86,739
Write-down of inventories to net realisable value (included in cost of sales)	**29**	8
Contract costs recognised as expenses		
Fitting-out works *(note)*	**2,412,073**	1,981,707
Alteration and addition and construction works	**5,075**	2,722
	2,417,148	1,984,429
Research and development expenses (included in other expenses)	**17,506**	31,432
Staff costs		
Gross staff costs (including Directors' emoluments)	**260,195**	247,936
Less: Staff costs included in contract costs, inventories and research and development expenses	**(173,197)**	(177,035)
	86,998	70,901
Gross rental income from investment properties	**(1,256)**	(2,512)
Less: Direct operating expenses incurred for investment properties that generated rental income during the Period	**181**	304
	(1,075)	(2,208)

Note: Contract costs of fitting-out works recognised as expenses included cost of inventories recognised as expenses of HK$73,488,000 (Previous Period: HK$53,536,000).

8. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	*(Unaudited)*
Dividends for ordinary shareholders of the Company (the "**Shareholders**") recognised as distribution during the Period:		
2025 final dividend – HK5 cents per share (Previous Period: 2024 final dividend – HK6 cents per share and 2024 special dividend – HK14 cents per share)	**109,011**	431,642

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

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company was based on the following data:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	*(Unaudited)*
Profit for the period attributable to owners of the Company for the purpose of basic and diluted earnings per share	**151,329**	135,358

	Six months ended 30 June	
	2026	2025
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	**2,163,193**	2,158,210

Diluted earnings per share are the same as the basic earnings per share as the Company had no dilutive potential ordinary shares in existence for both periods.

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 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Trade receivables (gross carrying amount)		
Fitting-out works	**1,131,814**	1,259,675
Manufacturing, sourcing and distribution of interior decorative materials	**14,866**	11,055
	1,146,680	1,270,730
Less: Allowance for credit losses	**(168,242)**	(148,267)
Trade receivables (net carrying amount)	**978,438**	1,122,463
Unbilled receivables (gross carrying amount) *(note)*	**1,392,774**	1,247,876
Less: Allowance for credit losses	**(119,848)**	(106,400)
Unbilled receivables (net carrying amount)	**1,272,926**	1,141,476
Other receivables (gross carrying amount)	**137,884**	137,685
Less: Allowance for credit losses	**(29,293)**	(29,834)
Other receivables (net carrying amount)	**108,591**	107,851
Bills receivable (gross carrying amount)	**13,281**	47,304
Less: Allowance for credit losses	**(104)**	(808)
Bills receivable (net carrying amount)	**13,177**	46,496
Prepayments and deposits	**444,742**	384,778
	2,817,874	2,803,064
Analysed for reporting purposes as:		
Current assets	**2,794,089**	2,791,505
Non-current assets	**23,785**	11,559
	2,817,874	2,803,064

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 14 to 90 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 **30 June** **2026** ***HK$'000*** ***(Unaudited)***	At 31 December 2025 *HK$'000* *(Audited)*
1–30 days	**404,809**	531,642
31–60 days	**69,128**	105,249
61–90 days	**44,618**	72,469
Over 90 days	**459,883**	413,103
	978,438	1,122,463

Bills receivable

As at 30 June 2026, the carrying amount of bills receivable amounting to HK$13,177,000 (31 December 2025: HK$46,496,000) 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 **30 June** **2026** ***HK$'000*** ***(Unaudited)***	At 31 December 2025 *HK$'000* *(Audited)*
1–30 days	**2,938**	21,037 *(Note)*
31–60 days	**175**	850
Over 90 days	**10,064**	24,609
	13,177	46,496

Note: As at 31 December 2025, the relevant bills receivable amounting to HK$2,285,000 were issued by fellow subsidiaries.

11. 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 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
1–30 days	–	1,004
Over 90 days	2,135	1,088
	2,135	2,092

12. 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 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Contract creditors and suppliers	1,860,925	1,839,400
Retentions payable	369,152	480,599
	2,230,077	2,319,999
Other tax payables	139,475	132,983
Other payables and accruals	79,697	152,325
	2,449,249	2,605,307

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

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
1–30 days	1,348,638	1,272,541
31–60 days	63,481	77,167
61–90 days	24,071	41,601
Over 90 days	424,735	448,091
	1,860,925	1,839,400

As at 30 June 2026, the Group's retentions payable of HK$140,245,000 (31 December 2025: HK$181,611,000) were expected to be paid after one year.

13. BILLS PAYABLE

As at 30 June 2026 and 31 December 2025, certain bills payable were secured by certain pledged bank deposits and were repayable as follows:

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
1–30 days	**115,012**	133,183
31–60 days	**170,901**	93,682
61–90 days	**42,673**	97,129
Over 90 days	**228,943**	204,418
	557,529	528,412

14. AMOUNTS DUE TO FELLOW SUBSIDIARIES

	At 30 June 2026 HK$'000 (Unaudited)	At 31 December 2025 HK$'000 (Audited)
Retentions payable	**581**	227
Other payables	**327**	315
	908	542

Retentions payable to fellow subsidiaries

As at 31 December 2025, retentions payable to fellow subsidiaries of HK$3,000 were expected to be paid after one year.

Other payables to fellow subsidiaries

As at 30 June 2026 and 31 December 2025, other payables to fellow subsidiaries represented rental income received in advance.

MANAGEMENT DISCUSSION AND ANALYSIS

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, the Group's fitting-out business contributed approximately 98.1% of the Group's revenue.

Leveraging its established reputation and track record of premium project execution, the Group successfully navigated a challenging operating environment marked by persistent macroeconomic and geopolitical shifts during the Period. Instead of adopting a defensive posture, the Group proactively strengthened its market position by deepening relationships with core customers, optimising operational efficiencies and implementing agile market strategies. These strategic initiatives enabled the Group to continuously secure large-scale fitting-out projects, further reinforcing its long-term growth and development in the industry.

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 continued to be a key contributor to the Group's revenue and profit.

During the Period, the Group completed a total of 33 fitting-out projects, comprising 8 in Hong Kong, 2 in Macau, 1 in Singapore and 22 in the PRC. The total contract sum of such projects amounted to HK$3,001.5 million, of which HK$263.2 million was recognised as revenue during the Period. As at 30 June 2026, the Group had 171 projects on hand (including contracts in progress and contracts signed but yet to commence), with 23 in Hong Kong, 6 in Macau, 5 in Singapore and 137 in the PRC. The total contract sum and the value of the outstanding works of such projects as at 30 June 2026 amounted to HK$12,339.8 million and HK$6,324.6 million, respectively.

During the Period, the Group's revenue from its fitting-out business increased by HK$479.4 million or 21.5% year-on-year to HK$2,712.8 million (Previous Period: HK$2,233.4 million). This increase was primarily driven by the active progress of several large-scale fitting-out projects in Macau and the PRC, which collectively contributed a year-on-year revenue increase of HK$524.2 million.

The Group's gross profit from its fitting-out business during the Period increased by HK$49.0 million or 19.5% year-on-year to HK$300.7 million (Previous Period: HK$251.7 million). This increase was primarily driven by the expansion in revenue, while the gross profit margin remained stable at 11.1% (Previous Period: 11.3%).

Alteration and addition and construction works

The Group carried out its 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 from its alteration and addition and construction business decreased by HK$4.2 million or 85.7% year-on-year to HK$0.7 million (Previous Period: HK$4.9 million). This decrease was primarily due to the final account agreement achieved for a residential construction project during the Previous Period, which resulted in a high base for comparison.

The Group recorded a gross loss of HK$4.4 million from this segment during the Period, compared to a gross profit of HK$2.2 million in the Previous Period, with a gross loss margin of 628.6% (Previous Period: gross profit margin of 44.9%). The shift from gross profit to gross loss was primarily attributable to the aforementioned decrease in revenue, while certain fixed project costs were still incurred despite the lower revenue recognised.

Manufacturing, sourcing and distribution of interior decorative materials

The Group's integrated manufacturing and research and development capabilities in the PRC remain a key pillar of its competitive advantage. Through its subsidiary, 東莞承達家居有限公司 (Dongguan Sundart Home Furnishing Co., Ltd.*), the Group operates a manufacturing and warehousing facility in Dongguan, Guangdong Province, the PRC, with an aggregate gross floor area of approximately 40,000 square metres. This facility specialises in manufacturing interior decorative timber products, including fire-rated timber doors and wooden furniture, and providing quality and reliable re-engineering and pre-fabrication services to support the Group's large-scale fitting-out projects.

To bolster the long-term growth of the Group, 廣東承達智能環保建材科技有限公司 (Guangdong Sundart Digital Decoration Materials Technology Limited*), an indirect wholly-owned subsidiary of the Company, completed its new manufacturing and warehousing complex, together with ancillary facilities in Meizhou, Guangdong Province, the PRC, with an aggregate gross floor area of approximately 66,000 square metres, which commenced its trial production during the Period. The Group is strategically executing a phased relocation of its production and warehousing operations from Dongguan to Meizhou which is expected to significantly expand production capacity, optimise operational efficiency and drive sustainable business development of the Group.

During the Period, the Group's revenue from its manufacturing, sourcing and distribution of interior decorative materials business derived from external customers increased by HK$8.2 million to HK$52.7 million (Previous Period: HK$44.5 million). This increase was primarily attributed to the ongoing delivery of timber and marble products under a major sales order secured in 2024 from a customer in the Philippines, which remained outstanding as at 30 June 2026.

In line with this revenue growth, gross profit from this segment increased to HK$47.7 million during the Period (Previous Period: HK$11.3 million), with the gross profit margin rising to 90.5% (Previous Period: 25.4%). The improvement in both gross profit and margin was mainly driven by the high-margin nature of the aforementioned Philippine order, coupled with the reversal of an over-provision of production costs made in the Previous Period.

FINANCIAL REVIEW

Revenue, gross profit and gross profit margin

During the Period, the Group's revenue increased by HK$483.4 million or 21.2% year-on-year to HK$2,766.2 million (Previous Period: HK$2,282.8 million), while its gross profit increased by HK$78.9 million or 29.8% year-on-year to HK$344.1 million (Previous Period: HK$265.2 million) and its gross profit margin increased to 12.4% (Previous Period: 11.6%). The increase in revenue was primarily driven by the expansion of the Group's fitting-out business, as discussed in the "Business Review – Fitting-out works" section above. Meanwhile, the increase in both gross profit and gross profit margin was mainly attributable to the solid performance of the fitting-out business, further supported by the high profitability of, and cost reversal in, the manufacturing, sourcing and distribution of interior decorative materials business during the Period.

Other income, other gains and losses

The Group recorded net other income of HK$28.2 million for the Period (Previous Period: HK$17.3 million). This increase was mainly attributable to the decrease in net foreign exchange losses and fair value losses on investment properties. 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 attributable to owners of the Company

The Group's profit for the period attributable to owners of the Company increased by HK$15.9 million or 11.7% year-on-year to HK$151.3 million (Previous Period: HK$135.4 million). This increase was primarily driven by the higher gross profit as discussed above, but was partially offset by impairment losses of HK$25.6 million under the expected credit loss model (Previous Period: a reversal of impairment losses of HK$18.2 million).

Basic and diluted earnings per share

The Company's basic and diluted earnings per share for the Period was HK7.00 cents (Previous Period: HK6.27 cents), increased by HK0.73 cents or 11.6% year-on-year, which is in line with the increase in profit for the period attributable to owners of the Company. 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.

Financial assets at FVTPL

As at 30 June 2026, the Group's financial assets at FVTPL comprised HK$17.5 million and HK$8.0 million (31 December 2025: HK$14.2 million and HK$6.9 million) of listed equity securities and financial products, respectively.

During the Period, the Group recognised a fair value gain of HK$4.4 million from its financial assets at FVTPL in profit or loss, mainly driven by the rise in market prices of listed equity securities.

In terms of the prospects of the Group's financial assets at FVTPL, the performance of the listed equity securities and financial products held by the Group remain subject to financial market conditions, which may change rapidly and unpredictably.

None of the above financial assets at FVTPL 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 2026, the Group's net current assets amounted to HK$2,716.5 million, representing an increase of HK$97.1 million from HK$2,619.4 million as at 31 December 2025. The Group's bank balances and cash amounted to HK$1,884.5 million, representing a decrease of HK$100.6 million from HK$1,985.1 million as at 31 December 2025. The decrease was primarily attributable to dividend payments made during the Period.

As at 30 June 2026, the bank borrowings of the Group amounted to HK$29.3 million (31 December 2025: HK$40.6 million), all of which were repayable within one year. The Group's bank borrowings are not subject to seasonal fluctuations.

During the Period, the Group continued to maintain a healthy liquidity position. As at 30 June 2026, the Group's current assets and current liabilities amounted to HK$6,018.0 million and HK$3,301.5 million, respectively (31 December 2025: HK$6,056.5 million and HK$3,437.1 million, respectively). The Group's current ratio remained stable at 1.8 as at 30 June 2026 (31 December 2025: 1.8). The Group maintained sufficient liquid assets to finance its business operations during the Period.

As at 30 June 2026, the Group's gearing ratio of total debts (bank borrowings) divided by total equity was 0.8% (31 December 2025: 1.1%). The decrease in gearing ratio was primarily due to the decrease in the Group's bank borrowings.

As at 30 June 2026, the share capital and equity attributable to owners of the Company amounted to HK$1,260.9 million and HK$3,732.5 million, respectively (31 December 2025: HK$1,246.8 million and HK$3,615.6 million, respectively).

Charge on the Group's assets

As at 30 June 2026, the Group's pledged bank deposits amounted to HK$137.9 million (31 December 2025: HK$138.3 million). These deposits were pledged to secure certain bills payable, certain performance bonds and an advance payment bond.

Contingent liabilities and capital commitments

The Group did not have any significant contingent liabilities as at 30 June 2026 and 31 December 2025, respectively.

As at 30 June 2026, the Group had capital commitments of HK$12.4 million (31 December 2025: HK$27.6 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 Macau Pataca, Renminbi ("**RMB**"), Singapore dollars and United States dollars. As at 30 June 2026, the Group's bank borrowings of HK$29.3 million were made in RMB at fixed rates, and cash and cash equivalents held were mainly in Hong Kong dollars ("**HK$**" or "**HK dollars**") and RMB. 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 has experienced delays in the 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 each customer'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 prevailing industry practice. Discretionary bonuses are awarded based on individual performance in recognition of their contribution. The Group also provides training programmes to enhance employees' skills and knowledge.

As at 30 June 2026, the Group had 1,727 employees (31 December 2025: 1,575 employees). The Group's gross staff costs (including the Directors' emoluments) increased by HK$12.3 million or 5.0% year-on-year to HK$260.2 million for the Period (Previous Period: HK$247.9 million). This increase was primarily attributable to growth in headcount, which was specifically expanded to support the trial production of the factory in Meizhou, Guangdong Province, the PRC during the Period.

USE OF PROCEEDS FROM PLACING

On 21 May 2026, the Company completed the placing of 22,000,000 new shares of the Company under general mandate, raising net proceeds of HK$14.1 million (the "**Placing**").

As at 30 June 2026, the net proceeds had been utilised as follows:

- HK$4.2 million was utilised to finance the project costs for fitting-out contracts awarded in 2026, in line with the intended use; and

- HK$9.9 million remained unutilised and was deposited in licensed banks in Hong Kong.

The Group expects to fully utilise the remaining net proceeds by 31 December 2026, subject to business needs and prevailing market conditions.

For further details of the Placing, please refer to the Company's announcements dated 5 May, 15 May, and 21 May 2026.

OUTLOOK

The Group's operating environment remained resilient during the Period, characterised by a healthy pipeline of project enquiries and tendering activities. Backed by its proven track record in project execution and stringent cost controls, the Group maintained a steady momentum in core operations while further strengthening its financial position.

Looking ahead, the Group remains cautiously optimistic yet strategically proactive about its business prospects. It will continue to leverage its established multi-regional presence across Hong Kong, Macau, Singapore and the PRC to capture high-value opportunities, particularly in the resilient hospitality and other high-end projects.

Despite persistent macroeconomic uncertainties, the Group is well-positioned to drive profitability through disciplined project selection and rigorous margin management. By balancing prudent risk control with selective expansion, the Group is fully committed to enhancing operational resilience and delivering sustainable long-term value to its Shareholders.

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 (including sale of treasury shares) during the Period. As at 30 June 2026, the Company did not hold any treasury shares.

CORPORATE GOVERNANCE CODE

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 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.1.5 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 the non-executive Director were absent from the last annual general meeting of the Company held on 1 June 2026 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, BDO Limited.

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 translations of the Chinese names of companies established in the PRC are for identification purposes 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, 11 August 2026

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.