You should carefully consider all of the information in this prospectus including the risks and uncertainties described below before making an investment in the Offer Shares. The business, financial condition or results of operations of our Group could be materially adversely affected by any of these risks. The trading price of the Shares could decline due to any of these risks, and you may lose all or part of your investment.

RISKS RELATING TO OUR BUSINESS

Our customers pay us by way of progress payment and require retention money, and there is no guarantee that progress payment is paid to us on time and in full, or that retention money is fully released to us after the expiry of the defect liability period.

We normally receive progress payment from our customers on a monthly basis, with reference to the value of works done. Generally, the authorised persons, usually architects or consulting quantity surveyors employed by our customers, would issue a progress certificate certifying the work progress in the preceding month.

A portion of contract value, normally 5%, is usually withheld by our customers as retention money, of which half will generally be released after the issue of the certificate of practical completion and the remaining portion will be released after the defect liability period. As at 31 March 2007, 31 March 2008 and 31 March 2009, retention money of approximately HK$83,755,000, HK$111,673,000 and HK$114,914,000, respectively was retained by our customers.

There can be no assurance that progress payment is paid to us on time and in full, or the retention money or any future retention money will be remitted by our customers to us on a timely basis and in full or that the level of bad debt arising from such payment practice can be maintained at the same level as in the Track Record Period. Any failure by our customers to make remittance on time and in full may have an adverse effect on our future liquidity position.

We estimate time and costs in order to determine the tender price. However, the actual implementation of a project may not be in accordance with such estimation due to cost overruns and other construction risks related to the project.

Most of our fitting-out contracts are normally awarded through competitive tendering process. We need to estimate the time and costs in order to determine the tender price. There is no assurance that the actual time and costs would not exceed our estimation during the actual implementation of the project, which often takes several months to complete.

The time taken and the costs actually involved in completing fitting-out projects undertaken by us may be adversely affected by many factors, including typhoon and other acts of god, shortage and cost escalation of materials and labour, additional variations to the fitting-out plans requested by our customers or because of technical needs, disputes with subcontractors, accidents and other unforeseen problems and circumstances. Any of these can give rise to delays in completion of works or costs overruns or even unilateral termination of projects by our customers.

Failures to complete a project according to specification and quality standard on a timely basis may result in disputes, contract termination, liabilities and/or lower returns than anticipated on the project concerned. Such delays or failures to complete and/or unilateral termination of projects by our customers may cause our revenue or profitability to be lower than what we have expected.

Our failure to meet schedule requirements of our contracts could require us to pay liquidated damages.

Substantially all of our contracts are subject to specific completion schedule requirements with liquidated damages charged to us if we do not meet the schedules. Liquidated damages are typically levied at an agreed rate for each day of delay that is deemed to be our responsibility. Any failure to meet the schedule requirements of our contracts could cause us to pay significant liquidated damages, which would reduce or eliminate our profit on the relevant contracts, could adversely affect our liquidity and cash flows and have a material adverse effect on our business, financial condition, results of operations, reputation and prospects.

We depend on key management personnel.

Our success and growth depends on our ability to identify, hire, train and retain suitable, skilled and qualified employees, including management personnel with the requisite industry expertise. Our Directors and members of senior management, in particular, our executive Directors are important to us. The loss of a significant number of our executive Directors and/or senior management may have a material adverse effect on our business if we are unable to find suitable replacements in a timely manner. Competition for such personnel is intense, and any failure to recruit and retain the necessary management personnel at any time could harm our business and prospects.

We are exposed to dispute or litigation.

As a fitting-out contractor, we are principally responsible for the fitting-out projects and we may receive claims in respect of various matters from our customers, subcontractors, workers and other parties concerned with the projects from time to time. Such claims include claims for compensation for late completion of works and delivery of substandard works, and claims in respect of personal injuries and labour compensation in relation to works. Please refer to the section headed "Business – Litigation" in this prospectus for details.

Although we have effected insurance policies and retained moneys from our subcontractors to cover these claims, the outcome of any claim is subject to the relevant parties' negotiation or the decision of the court or the relevant arbitrating authorities, and the result of any of the outstanding claims may be unfavourable to us. Should such claims fall outside the scope and/or limit of our insurance coverage or moneys retained from subcontractors, our financial position may be adversely affected.

We are subject to other construction risks such as fire, suspension of water and electricity supplies.

We usually commence our fitting-out works after the main contractor has substantially completed the construction of the relevant building. Therefore, we will carry out our fitting-out works when other subcontractors are still carrying out their works in the same construction site. Although fitting-out works are relatively safe when comparing with other trades, we nevertheless are subject to other construction risks such as fire, suspension of water and electricity supplies primarily caused by others which may not only affect our work progress but also even pose risks on our properties kept at the construction site.

We rely on a limited number of major customers.

We principally derive our revenue from providing fitting-out services to major property developers in Hong Kong and/or the property development projects undertaken by them and hotel owners in Hong Kong and Macau. During the Track Record Period, revenue derived from our five largest customers, which are either major property developers in Hong Kong or hotel owners in Hong Kong and Macau, amounted to approximately HK$598.4 million, HK$1,157.9 million and HK$1,153.7 million, respectively, and accounted for approximately 64.9%, 80.2% and 78.7%, respectively, of our total revenue. We expect that we will continue to rely on revenue derived from providing fitting-out services to such kinds of customers, therefore, any decrease or delay in property or hotel development projects of them could have an adverse effect on our operations and profits. In addition, there is no assurance that we can diversify the composition of our customer base.

We may not be able to operate successfully in markets such as Qatar and Abu Dhabi in the Middle East.

We are exploring business opportunities in selected markets outside Hong Kong, Macau and the PRC such as Qatar and Abu Dhabi in the Middle East. These markets are new to us and we face risks in conducting our business outside Hong Kong, Macau and the PRC. The risks include differences in general business environment, legal and regulatory requirements, the licensing regime, the tendering regime, payment practices, potentially adverse tax consequences, competition within the local market, fluctuations in currency exchange rates, differences in legal burdens in complying with local laws and regulations and changes in political and economic conditions, particularly for the Middle East region, given its current political instability. There is no assurance that we will be able to operate successfully in such selected overseas markets, and the deployment of human and financial resources in pursuit of such plans outside Hong Kong, Macau and the PRC may have a material and adverse impact on us.

Our cash flows may fluctuate.

As far as a single project is concerned, net cash outflows are normally recorded at the early stage of carrying out our works when we are required to pay the setting up expenditures. Progress payments will be paid after our works commence and are certified by our customers and accordingly the cash flows for a particular project will turn into accumulative net inflows gradually as the works progress. Please see the section headed "Business" in this prospectus.

If we take up too many significant projects at a particular period of time, which require substantial initial setting up costs without cash inflow from other projects during such period of time, our cash flow position may be adversely affected.

Our profit may be substantially reduced if there are changes in our subcontracting and materials costs after tendering.

Our subcontracting costs and material costs represent a significant portion of our cost of sales. During the Track Record Period, our subcontracting costs and material costs amounted to approximately HK$728.3 million, HK$1,205.5 million and HK$1,152.2 million, respectively and accounted for approximately 92.2%, 92.3% and 91.4% of our cost of sales, respectively. We prepare our tender and quotation based on our estimated project costs (which mainly include subcontracting costs and material costs) plus a mark-up margin at the time when we submit our tender for projects or our initial proposals to our potential customers but the actual subcontracting costs and material costs will not be determined until after we have entered into agreements with our customers. Any fluctuations in the subcontracting and material costs during this period will affect our profitability.

Fitting-out works are highly labour intensive and we rely on a stable supply of labour to carry out our projects.

Fitting-out works are basically labour intensive works. For any given project, a large number of workers from different trade with different skills may be required. In Hong Kong, given that it has a total population of about seven million, the shortage of labour has never been severe in recent years. However, in Macau, given that it only has a total population of less than one million and there have been a large number of construction projects in recent years, the labour market in Macau has been tight and average labour costs in Macau have increased significantly.

During the Track Record Period, we or our subcontractors have not encountered any difficulties in recruiting labour to work for our projects in Hong Kong and Macau. However, there is no guarantee that the supply of labour and average labour costs will be stable. In the event that we or our subcontractors fail to retain our existing labour and/or recruit sufficient labour in a timely manner to cope with the demand of our existing or future projects and/or there is a significant increase in the costs of labour, we may not be able to complete our projects on schedule and within budget and our operations and profitability may be adversely affected.

We engage directly or indirectly labour of different trade who may launch industrial action or strikes to have higher wages and shorter working hours.

Construction works usually split into various different trade. Each trade requires highly skillful labour of its own and may not be substituted from labour of other trade. During the Track Record Period, the construction industry in Hong Kong encountered a strike action by steel benders and fixers. However, the strike did not have much impact on our operations because our projects did not directly involve steel bending and fixing.

Nevertheless, we are exposed to the risk that some trade unions may launch industrial actions or even strikes to ask for higher wages and shorter working hours. If we meet their demand, we will incur additional labour costs, or if not, we may expose risk to damages claimed by employers/developers for the delays in completion of our contracts. In either case, these industrial actions or strikes may have adverse impact on our profitability and results of operations.

Our revenue is mainly derived from short-term projects which are not recurrent in nature and there is no guarantee that our customers will provide us with new business.

During the Track Record Period, most of our revenue was derived from short-term projects with private developers in Hong Kong, Macau and the PRC. Certain of our projects currently carrying out by us will, sooner or later after the Listing, be completed. However, there is no guarantee that we will be able to secure new contracts with customers. In the event that we are unable to do so, our future revenue and hence our future profit will be adversely affected.

The trend of our historical financial information may not necessarily reflect our financial performance in the future.

For each of the three years ended 31 March 2009, our revenue amounted to approximately HK$921.3 million, HK$1,443.7 million and HK$1,465.2 million, respectively, representing a year-on-year growth rate of approximately 56.7% and 1.5%, respectively. For each of the three years ended 31 March 2009, our net profit amounted to approximately HK$70.4 million, HK$80.5 million and HK$143.7 million, respectively, representing a year-on-year growth rate of approximately 14.3% and 78.5%, respectively.

However, such trend of historical financial information of our Group is a mere analysis of our past performance only and does not have any positive implication or may not necessarily reflect our financial performance in the future which will solely depend on our capability to secure new contracts and keep our costs at a minimum.

Our interests may conflict with those of the Controlling Shareholders, who may take actions that are not in, or may conflict with, the best interests of our public Shareholders.

Our interests may conflict with those of the Controlling Shareholders, who may take actions that are not in, or may conflict with, our public Shareholders' best interests. Upon completion of the Global Offering, the Controlling Shareholders will own, in aggregate, 40.46% of our enlarged issued share capital assuming that the Over-allotment Option is not exercised. As such, the Controlling Shareholders have and will continue to have the ability to exercise a controlling influence over our business, including matters relating to our management and policies and certain matters requiring the approval of our Shareholders, including election of Directors, approval of significant corporate transactions and the timing and distribution of dividends.

They will also have veto power with respect to any Shareholder action or approval requiring a majority vote. They may take actions that you may not agree with or that are not in the best interest of our public Shareholders. This concentration of ownership may have the effect of delaying, deferring or preventing a change in control, discouraging bids for our Shares at a premium over the market price, or adversely affecting the market price of our Shares.

Dividends declared in the past may not be indicative of the dividend policy in the future.

Subsidiaries of our Company have declared dividends to the then equity holders of our Company, of HK$36.8 million, HK$25.0 million and HK$113.0 million, respectively, during the Track Record Period, which have been paid by us and financed by our internal resources. In addition, Sundart Holdings had declared a dividend in the sum of HK$120.0 million on 30 July 2009 in the form of cash to its then equity holders, which was paid on 5 August 2009. Any declaration of dividends proposed by our Directors and the amount of any such dividends will depend on various factors, including, without limitation, our results of operations, financial condition, future prospects and other factors which our Directors may determine are important. For further details of the dividend policy of our Company, please see the section headed "Financial information – Dividend policy" in this prospectus. Because of the above reasons, we cannot guarantee if and when dividends will be paid in the future.

We may be adversely affected by the recent global economic developments and credit crunch.

The recent global economic developments and credit crunch has adversely affected the global economy. Under such deteriorating global economy and with the continual weak economic sentiment, the investment in residential, commercial and industrial property sectors may decrease and there has been delay or suspension with respect to our existing projects, which may affect our profitability and revenue growth. Moreover, banks have been tightening credit, which may aggravate the interest expenses on our bank borrowings, or banks may even reduce the amount of or discontinue the banking facilities currently available to us. If the economic downturn and the weak economic sentiment continue, our business, financial condition and results of operations may be adversely affected.

The global economy may be adversely affected by a recurrence of severe acute respiratory syndrome, or an outbreak of other epidemics such as swine flu and avian flu, thereby affecting our prospects.

Some countries including Mexico, United States and Japan are susceptible to epidemics such as severe acute respiratory syndrome (SARS), swine flu (H1N1) and avian flu, which may cause severe damage to their respective local economies and the global economy as a whole. If such epidemics break out in Hong Kong, Macau or the PRC, or in the cities where we have or will have operations, it may result in material disruptions to our business operations, which will in turn adversely affect our financial condition.

RISKS RELATING TO OUR INDUSTRY

Our performance is dependent on market conditions and trends in the fitting-out industry and in the overall economy which may change adversely.

During the Track Record Period, approximately 33.7%, 30.9% and 59.2% of our revenue was derived in Hong Kong. The future growth and level of profitability of the fitting-out industry in Hong Kong are likely to depend primarily upon the continued availability of major construction projects. The nature, extent and timing of such projects will, however, be determined by the interplay of a variety of factors, in particular, the spending patterns of the Hong Kong Government on the construction industry in Hong Kong, the investment of property developers and hotel owners and the general conditions and prospects of Hong Kong's economy. These factors may affect the availability of fitting-out projects from the public sector, private sector or institutional bodies.

Although our Directors believe that the Hong Kong Government is committed to maintaining a robust investment in new infrastructure and improving existing facilities, and a number of large scale infrastructure projects will be implemented in Hong Kong, these projects are susceptible to delays and availability of funds of the Hong Kong Government. There are also many other factors affecting the fitting-out industry, including cyclical trends in the economy as a whole, fluctuations in interest rates and the availability of new projects in the private sector, and the implementation of new infrastructure projects by the Hong Kong Government may not be able to help in the recovery of the fitting-out industry. Should there be a recurrence of recession in Hong Kong, deflation or any changes in Hong Kong's currency policy, or should the fitting-out industry in Hong Kong start to decline again, and we fail to open up new markets outside Hong Kong, our operations and profits could be adversely affected.

The entrance barrier to fitting-out industry is low and we may face more keen competition if there are new comers.

The fitting-out industry, either in Hong Kong, Macau or the PRC, is highly competitive. In order to survive, market participants have to, not only come up with new creative ideas and skills, but also cut their prices and sacrifice their profit in order to successfully obtain tenders.

In addition, given that no industry specific licences or qualifications are required to carry out fitting-out business in Hong Kong or Macau, we may face even more keen competition in the future if there are new comers who are able to offer services of higher quality at lower prices. If we fail to compete effectively or maintain our competitiveness in the market, our business, financial condition and results of operations will be materially and adversely affected.

We depend on our subcontractors to complete our projects and to implement safety measures or procedures during our courses of execution of works.

In the course of our operations, we engage subcontractors to provide certain services or manpower. We have established a system with respect to the selection and control of subcontractors, including maintaining a regularly updated list of qualified subcontractors, and entering into agreements with them to set forth each party's rights and obligations. Nevertheless, we may not be able to monitor the performance of these subcontractors as directly and efficiently as with our own staff. In addition, qualified subcontractors may not always be readily available when our needs for outsourcing arise. If we are unable to hire qualified subcontractors, our ability to complete projects could be impaired. If the amounts we are required to pay for subcontractors exceed what we have estimated, especially in fixed-price contracts with our customers, we may suffer losses on these contracts. If a subcontractor fails to provide services as required under a contract for any reason, we may be required to source these services on a delayed basis or at a higher price than anticipated, which could impact contract profitability. If a subcontractor's performance does not meet our standards, the quality of the project may be affected, which could harm our reputation and potentially expose us to litigation and damage claims.

We require our subcontractors to follow and adopt all the safety measures and procedures as stipulated in our safety management plans. Nonetheless, if our subcontractors violate any laws, rules or regulations in relation to health and safety matters, we may not only expose ourselves as primary obligor to prosecutions by relevant authorities, but also be liable to claims for losses and damages if such violations cause any personal injuries/death or damage to properties. Although we have closely supervised and monitored our subcontractors in implementation of all required safety measures and procedures during execution of works, we cannot assure that there will not be any violations, whether substantial or minor in nature, of any laws, rules or regulations. In the event there is any such violation occurred in the sites for which we are responsible, our operations and hence our financial position will be adversely affected.

RISKS RELATING TO HONG KONG

The state of economy in Hong Kong may adversely affect our performance and financial condition.

After experiencing substantial growth in economy since 2006, Hong Kong has entered into a recessionary period of economic down-turn and it is uncertain for how long the economy in Hong Kong will take to return to normal again. Hong Kong is our major market which accounted for approximately 33.7%, 30.9% and 59.2% of our revenue during the Track Record Period, in case the economy of Hong Kong continues to be bad or even deteriorates, our results of operations and financial positions may be severely affected.

The state of political environment in Hong Kong may adversely affect our performance and financial condition.

Hong Kong is a special administrative region of the PRC and enjoys a high level of autonomy under the principle of "one country, two systems" according to the Basic Law of Hong Kong. However, we are not in any position to guarantee the implementation of the "one country, two systems" principle and the level of autonomy as currently in place at the moment. Since our primary operations are substantially located in Hong Kong, any change of such political arrangements may post immediate threat on the stability of the economy in Hong Kong, thereby directly and negatively affecting our results of operations and financial positions.

Devaluation of the Hong Kong dollars could affect our financial conditions and results of operations.

Since 17 October 1983, Hong Kong dollars have been pegged to the U.S. dollars at a rate of HK$7.80 to US$1.00. There is no indication that the Hong Kong Government intends to cancel or change the pegged exchange rate arrangements. However, in the event that such arrangements shall change or the valuation of U.S. dollars shall become volatile in the international currency markets, valuation of Hong Kong dollars may be significantly affected or may even experience devaluation. At present, substantial part of our revenue is generated in the currency of Hong Kong dollars and part of our expenses and/or certain fitting-out materials imported from other countries is incurred in currencies other than Hong Kong dollars. In case of devaluation of Hong Kong dollars by whatever reason, our financial performance and liquidity positions may be adversely affected and our expenses incurred may drastically increase as a result.

RISKS RELATING TO MACAU

The gaming industry in Macau has slowed down which may adversely affect our performance and financial condition.

Macau has undergone growth in the construction industry, particularly for constructions of casinos, gaming and entertainment related establishments before the financial tsunami broke out in 2008, which has caused many construction projects to abandon or delay. During the Track Record Period, approximately 54.3%, 65.0% and 37.4% of our revenue was generated from our projects in Macau. In case the construction sector of Macau continues to be bad or deteriorates as a result of financial tsunami, our results of operations may be adversely affected.

Our business could be affected by the limitations of the Pataca exchange markets.

Part of our revenue from Macau is denominated in Patacas, the lawful currency of Macau. Although currently permitted, we cannot assure you that the Patacas will continue to be freely exchangeable into Hong Kong dollars. Also, because the currency market for Patacas is relatively small and undeveloped, our ability to convert large amounts of Patacas into Hong Kong dollars over a relatively short period may be limited. As a result, we may experience difficulty in converting Patacas into Hong Kong dollars.

RISKS RELATING TO THE PRC

We are prepared to expand our business in the PRC. Accordingly, our business and financial condition and prospects are subject to risks of economic, political and legal developments in the PRC.

Our future operations in the PRC are subject to the uncertainties of the PRC legal system.

The PRC legal system is a civil law system based on written statutes. Unlike common law system, it is a system in which decided legal cases have little value as precedents. In 1979, the PRC Government began to promulgate a comprehensive system of laws and regulations governing economic matters in general, and such legislation over the past 30 years has significantly enhanced the protections afforded to various forms of foreign investment in China in general and laws and regulations applicable to wholly foreign-owned enterprises in particular. These laws, regulations and legal requirements are relatively new and are often changing and their interpretation and enforcement involve uncertainties. These uncertainties limit the reliability of legal protections available to us. We cannot predict the effect of future developments in the PRC legal system. We may be required in the future to procure additional permits, authorisations and approvals for our future projects, which may not be obtainable in a timely fashion or at all.

The economic, political and social conditions of the PRC, as well as the policies of the PRC Government, could adversely affect the financial markets in the PRC and our business.

The PRC economy differs from the economies of most developed countries in many respects, including the amount of PRC Government's involvement, level of capital reinvestment, growth rate, control of foreign exchange, allocation of resources and balance of payments position. While the PRC economy has experienced significant growth in the past 20 years, growth has been uneven, both geographically and among various sectors of the economy. The PRC Government has implemented various measures to encourage economic growth and guide the allocation of resources.

Some of these measures may have a negative effect on us. For example, our business and financial condition may be adversely affected by the PRC Government's control over property investments or use of mortgage financing and by changes in tax regulations that are applicable to us. Any slowdown in growth of the PRC economy could have a negative effect on our business. The PRC economy has been transitioning from a planned economy to a more market-oriented economy. The PRC Government has implemented measures since the late 1970s emphasising the use of market forces for economic reform, the reduction of state ownership of productive assets and the establishment of improved corporate governance in business enterprises. Yet currently a substantial portion of productive assets in the PRC is still owned by the PRC Government. In addition, the PRC Government continues to play a significant role in regulating industry development by imposing industrial policies. It also exercises significant control over China's economic growth through the allocation of resources, controlling payment of foreign currency denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies. Since late 2003, the PRC Government has implemented a number of measures designed to prevent the economy from overheating. On 17 May 2006, the PRC Government announced further measures with respect to the PRC real estate industry. These include a focus on property development for low-income households and various tax, bank credit and land allocation policies designed to regulate demand and to discourage developers or local authorities from hoarding land and driving up land prices. On 24 May 2006, the State Council approved further detailed measures to implement the same policies. On 11 July 2006, the PRC Government issued further opinions on regulating the access of foreign investment to the real estate market and strengthening the management of real estate purchases by foreign invested enterprises. These actions, as well as future actions and policies of the PRC Government, could cause a decrease in the overall level of economic activity, and consequently have an adverse impact on our business and financial condition.

RISKS RELATING TO THE STATE OF QATAR

General

Investors should be aware that the State of Qatar ("**Qatar**") market may be subject to greater risks than more developed markets, including in some cases significant legal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate.

The oil price may adversely affect our performance and financial condition.

Sundart Interior operates in Qatar. Qatar is a peninsular state in the Persian Gulf, heavily dependent upon imports. Its major natural resources, and sources of income are oil and gas, the majority of which is exported. Qatar economy is largely dependent on its oil production and global prices of oil. If oil prices continue to drop or if Qatar's oil production levels decline, there will be an adverse impact on the revenue earned in Qatar. A decline in oil prices or a reduction in Qatar's oil production could have a material adverse effect on the Qatari economy and on Sundart Interior's performance.

Any changes in the political, social or economic conditions in Qatar could have a material adverse effect on our investments.

Political affairs in Qatar are very much subject to the personality and views of the current Emir from the Al Thani family. No assurance can be given that the current Emir will not implement regulations or fiscal or monetary policies, including policies, regulations, or new legal interpretations of existing regulations, relating to or affecting taxation, interest rates or exchange controls, or otherwise take actions which could have a material adverse effect on the business, financial condition, results of operations or prospects of Sundart Interior.

Changes in investment policies or shifts in the prevailing political climate in Qatar could result in the introduction of increased government regulations with respect to, among other things:

- price controls;
- export and import controls;
- income and other taxes;
- environmental legislation;
- customs and immigration;
- foreign ownership restrictions;
- foreign exchange and currency controls; and

- labour and welfare benefit policies.

As the political, economic and social environments in Qatar in which we have made investments remain subject to continuing development, investments in Qatar are characterised by a significant degree of uncertainty. Any unexpected changes in the political, social, economic or other conditions in Qatar, or in countries that neighbour Qatar, could have a material adverse affect on the investments that we have made or may make in the future, which in turn could have a material adverse affect on our financial condition and results of operations.

The Qatar legal system continues to develop and this may create an uncertain environment for our investment and business activity.

Qatar and many of the Gulf Cooperation Council ("**GCC**") countries are in various stages of developing their legal and regulatory institutions that are characteristic of more developed markets. As a result, procedural safeguards as well as formal regulations and laws may not be applied consistently. In some circumstances, it may not be possible to obtain the legal remedies provided under the relevant laws and regulations in a timely manner. As the legal environment remains subject to continuous development, investors in Qatar and the GCC countries may face uncertainty as to the security of their investments. Any unexpected changes in the legal systems in Qatar and the GCC may have a material adverse effect on the investments that we have made or may make in the future, which may in turn have a material adverse effect on our business, operating results, cash flows and financial condition.

Foreign investment risks in Qatar.

While the Qatari economy has developed rapidly over the last decade, there remains important restrictions in the economy, particularly as regards the rights of foreign investors, which include the prohibition on the purchase of land in Qatar by foreigners (except for certain areas) and the limit of 49% foreign ownership of a Qatari business.

We may encounter difficulties or disputes with joint venture partners.

As part of the Group's strategies to expand to our fitting-out business to other markets, the Group has entered into joint venture arrangement with third parties, and may enter into joint venture arrangements with other parties as and when appropriate commercial opportunities arise in the future. As at the Latest Practicable Date, the Group had one jointly controlled entity, namely Sundart Interior, which is a joint venture and owned by our Group as to 47% and pursuant to the SI-JV Agreement and the articles of association of Sundart Interior, our Group is entitled to share 51% of the profit of Sundart Interior. However, there is a theoretical and remote risk that our Group's disproportional profit sharing entitlement may be subject to challenge and in the unlikely event that such challenge is successful, there is a risk that Sundart (Middle East)'s share of the profit in Sundart Interior will be brought down from 51% to 47% to be in line with the percentage of its shareholding in Sundart Interior and in such event, our Group's financial condition and results of operations may be materially and adversely affected.

There is no assurance that the Group's relationship with its joint venture partners can at all times be amicably maintained. Our Group's existing and future joint venture arrangements involve a number of risks, including:

- disputes with joint venture partners in connection with the performance of each party's obligations under the relevant joint venture agreements;
- financial difficulties encountered by a joint venture partner affecting its ability to perform its obligations under the joint venture agreements or other contracts with our Group;
- conflicts between the policies or objectives adopted by the joint venture partners and those by our Group; and
- joint venture partners having economic or business interests inconsistent with those of our Group.

The occurrence of any of these events and other factors may lead to disputes between joint venture partners and our Group and affect the operations of our Group and, as a result, our Group's financial condition and results of operations may be materially and adversely affected.

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior public market for the Shares and the liquidity and market price of the Shares may be volatile.

Prior to the Global Offering, no public market for the Shares existed. We have made an application to the Stock Exchange for the Listing. There is no assurance that a listing on the Stock Exchange will result in the development of an active and liquid public trading market for the Shares after the Global Offering. In addition, the price and trading volumes of the Shares may be volatile since factors such as variations in our revenue, earnings and cash flows or any other developments may affect the volume and price at which the Shares will be traded.

Future issues, offers or sale of Shares may adversely affect the prevailing market price of the Shares.

Future issue of Shares by our Company or the disposal of Shares by any of its Shareholders or the perception that such issues or sale may occur, may negatively impact the prevailing market price of the Shares. The Shares held by the Controlling Shareholders are subject to certain lock-up undertakings for periods up to 12 months after the Listing Date. We cannot give any assurance that they will not dispose of Shares they may own now or in the future.

Certain facts and statistics from official sources contained in this prospectus have come from various government official publications whose reliability cannot be assumed or assured.

Facts and statistics from official sources contained in this prospectus are derived from various publicly available government official publications and generally believed to be reliable. However, we cannot guarantee the quality and reliability of these publications. Whilst our Directors and the Sponsor have taken reasonable care to ensure that the facts and statistics in this prospectus are accurately reproduced from other respective official sources, these facts and statistics have not been independently verified by us. Our Company, the Selling Shareholders, the Global Coordinator, the Sponsor, the Lead Manager, the Underwriters, their respective directors and advisers or any other parties involved in the Global Offering do not make any representation as to the accuracy or any other facts and statistics derived from government official publications, which may not be consistent with other information and may not be complete or up-to-date. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics derived from government official publications may be inaccurate or may not be comparable from period to period or to statistics produced for other economies and should not be unduly relied upon. Furthermore, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

Investors may experience difficulties in enforcing their shareholder rights because our Company is incorporated in the Cayman Islands, and the protection to minority shareholders under the Cayman Islands law may be different from that under the laws of Hong Kong or other jurisdictions.

Our Company is incorporated in the Cayman Islands and its affairs are governed by the Articles, the Companies Law and common law applicable in the Cayman Islands. The laws of the Cayman Islands may differ from those of Hong Kong or other jurisdictions where investors may be located. As a result, minority shareholders may not enjoy the same rights as pursuant to the laws of Hong Kong or such other jurisdictions. A summary of the Cayman Islands law on protection of minorities is set out in paragraph 3(f) in Appendix V to this prospectus.