



【For Immediate Release】

9 August 2019



Sanbase Corporation Limited
莊皇集團公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8501

Announces 2019/20 First-Quarter Results
Revenue Grew by 81.0% YoY to HK\$179.5 million
Strong Organic Growth Brought by Two Completed Acquisitions

Financial Highlights

For the three months ended	2019	2018	Change
30 June	HK\$ million	HK\$ million	
Revenue	179.5	99.2	+81.0%
Gross profit	14.8	14.2	+4.6%
Profit attributable to owners of the Company	3.5	4.9	-28.5%
Basic earnings per share (HK cents)	1.77	2.46	-28.0%

(Hong Kong – 9 August 2019) One of the largest interior fit-out solutions providers for Grade A offices in Hong Kong – **Sanbase Corporation Limited** (“Sanbase” or “Company”, and its subsidiaries “Group”, stock code: 8501) announced its unaudited consolidated results for the three months ended 30 June 2019 (the “Period”).

During the Period, the Group achieved a year-on-year (“YoY”) increase in revenue of approximately 81.0%, from approximately HK\$99.2 million to approximately HK\$179.5 million, mainly attributable to the increase in revenue from the business of bare shell fit-out and restacking. During the Period, the Group’s gross profit recorded a 4.6% increase from HK\$14.2 million to HK\$14.8 million. Yet, customers have higher sensitivity in contract negotiation and affected the Group’s its ability of bargaining and passing cost to clients. Profit attributable to owners of the Company during the Period dropped by approximately 28.5% YoY to approximately HK\$3.5 million (2018/19: approximately HK\$4.9million).



Mr. Wong Sai Chuen, Chairman of Sanbase Corporation Limited stated, “Since the listing, the Company has committed to strengthen our leading position in the fit-out industry in Hong Kong in order to maintain a continuous and stable business growth. During the Period, the Group’s revenue increased on year-on-year basis more than 80% to approximately HK\$179.5 million. Such achievements not only reflect our enhanced capabilities in project management, but more importantly, showcase our growing brand recognition and market share in the highly-competitive fit-out market.”

Mr. Wong continued, “Looking forward to 2019, we remain optimistic in the demand of commercial fit-out services in Hong Kong despite a perceived weakness in the commercial property market. Inelastic by nature, clients would require fit-out services even if financial circumstances are not favorable. However, we have noted that customers are increasingly sensitive in price during contract negotiation. Therefore, the Group has taken actions to securing better contract terms with existing subcontractors and engaging with new ones. Such actions has enhanced our subcontractor portfolio while maintaining project quality and reducing cost pressure in a downward business circle.”

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Sanbase Corporation Limited

Sanbase is an interior fit-out solutions provider focusing on providing services to clients whose offices are predominately situated in Grade A offices in Hong Kong. The main categories of services include: (i) bare shell fit-out; (ii) restacking; (iii) reinstatement; (iv) design; (v) churn works; and (vi) maintenance and others. According to the Industry Report, Sanbase is the largest fit-out solutions provider for Grade A offices in Hong Kong in terms of market share in 2016. During the Track Record Period, the Group worked on 230 projects for a total of 107 clients. Revenue for the two years ended March 31, 2017 and 2018 were HK\$280.7 million and HK\$376.2 million respectively, representing a growth of approximately 34.0% from the year ended March 31, 2017 to the year ended March 31, 2018.

This press release is issued by DLK Advisory Limited on behalf of **Sanbase Corporation Limited**.

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