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## **SAM WOO CONSTRUCTION GROUP LIMITED**

### **三和建築集團有限公司**

(Incorporated in the Cayman Islands with limited liability)  
(Stock code : 3822)

### **PROFIT WARNING**

This announcement is made by Sam Woo Construction Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders (the “**Shareholders**”) of the Company and potential investors that, based on the information currently available to the Board, the Group expects a substantial drop in profits for the six months ended 30 September 2017 (the “**Period**”) of not less than 70% as compared to that of the corresponding period in last year. The drop in profits was mainly due to the decrease in contract revenue recorded during the Period.

As disclosed in the last published annual report of the Group for the year ended 31 March 2017 (the “**Annual Report**”), the Group expected to face a tougher environment in the current year and the Group would be very cautious in additional investment in machinery and equipment. To cope with the market environment, the Group has scaled down certain of its workforce in the last financial year and managed to control its interest cost stringently during the Period. The directors of the Company are of the view that the financial position of the Group remained healthy with expected zero net gearing as at 30 September 2017 which would enable us to face the current market environment before the construction market warms up again upon the funding of large backlog of public projects being approved in the Legislative Council.

The information contained in this announcement is only a preliminary assessment by the Board based on the information currently available and the latest available unaudited management accounts of the Group, which have not been audited or reviewed by the Company’s audit committee or auditors. The Company is in the process of preparation for the interim results of the Group for the period ended 30 September 2017 which is expected to be published by the end of November 2017.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Sam Woo Construction Group Limited**  
**Lau Chun Ming**  
Chairman

Hong Kong, 9 October 2017

*As at the date of this announcement, the executive directors of the Company are Mr. Lau Chun Ming, Mr. Lau Chun Kwok, Mr. Lau Chun Ka and Ms. Leung Lai So; the independent non-executive directors of the Company are Professor Wong Sue Cheun, Roderick, Mr. Chu Tak Sum and Mr. Ip Tin Chee, Arnold.*