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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 to record a net loss for the six months ended 30 September 2018 (the “**Period**”) as compared to the net profit for the corresponding period in last year. The Board considers that the expected net loss is mainly attributable to the decrease in contract revenue during the Period as compared to that of the last year. As disclosed in the last published annual report of the Group for the year ended 31 March 2018, the Group mainly relies on the Hospital Expansion project to contribute to the Group’s revenue and profit, while the Tseung Kwan O Interchange, which is a new project commenced in mid-2018, is expected to contribute revenue to the Group mainly in the second half of this financial year.

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 2018, which would enable it to brace against operational pressure.

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 reviewed or audited by the Company’s audit committee or auditors and are subject to adjustments. The Company is in the process of preparation for the interim results of the Group for the period ended 30 September 2018 which is expected to be published by the end of November 2018.

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, 24 October 2018

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.