

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **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 of not less than HK\$40 million for the six months ended 30 September 2020 (the “**Period**”) as compared to the net profit for the corresponding period in last year. Such expected net loss arose mainly because contract revenue decreased more than 50% 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 2020, the Group has expected that its contract revenue for the Period would be significantly lower than that of the corresponding period in the last year given: (a) the completion of Hospital Expansion, Airport Logistic Centre and Tseung Kwan O Cross Bay Link construction projects; and (b) the size of contracts on hand and contracts likely be awarded to the Group in the near-term. While two new construction projects located in the West Kowloon Cultural District and Kai Tak Development District have subsequently commenced in July 2020, a significant portion of the construction works would be carried out in the second half of this financial year. It was also mentioned in the last published annual report that the Group’s profitability would be hard-hit in the short-term as overhead costs might not go down proportionately with the drop in contract revenue.

Despite the above, 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 2020, 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 2020 which is expected to be published by the end of November 2020.

**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, 27 October 2020

*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.*