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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 of not less than HK\$20 million for the six months ended 30 September 2023 (the “**Period**”), which is less than the net loss amount of HK\$87 million in the corresponding period of the last year. In fact, the construction revenue for the Period increased over 70% as compared to that of the corresponding period in the last year, which was mainly contributed by Kai Tak Public Housing project. While the construction programme of this project was affected by the complicated ground conditions, the amount of revenue and profit generated during the Period were less than the original projection. Accordingly, the gross profit recognised during the Period was not enough to cover all administrative expenses and finance costs of the Group. During the Period, the amount of finance costs increased substantially compared with the last year due to increase in loan interest rates.

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 2023 which is expected to be published by the end of November 2023.

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, 2 November 2023

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, Mr. Ip Tin Chee, Arnold and Mr. Pang Tat Choi, Paul.