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## **AB BUILDERS GROUP LIMITED**

### **奧邦建築集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01615)**

## **PROFIT WARNING**

This announcement is made by AB Builders Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform shareholders of the Company and potential investors that, based on preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and information currently available to the Board, it is expected that the net profit after tax of the Group for the year ended 31 December 2019 may decrease by not less than 40% as compared to the net profit after tax of approximately MOP37.1 million (before one-off listing expenses) for the year ended 31 December 2018.

As mentioned in 2019 Interim Report of the Group, the operation and financial performance of the Group may be more difficult in the second half mainly due to the competition of the construction industry in Macau. The expected decline in performance for the year ended 31 December 2019 is primarily attributable to:

- The increase in revenue contribution from projects with lower margin as a result of the adoption of the competitive tender approach in respond to the economic slowdown of the Macau economy.
- An increase in general and administrative expenses mainly due to, (i) the increase in professional and compliance cost after the listing; and (ii) expansion in Hong Kong market.

Despite the decrease in the net profit after tax of the Group, the Board considers that the Group’s overall financial position remains healthy and solid and the Board remains positive on the long-term prospects of the Group.

As at the date of this announcement, the Company is still in the process of finalising the consolidated annual results of the Group for the year ended 31 December 2019. The information contained in this announcement is only based on a preliminary assessment by the management of the Company with reference to the information currently available including the unaudited consolidated management accounts of the Group for the year ended 31 December 2019, which have not been reviewed or audited by the Company's auditors and audit committee and are subject to possible adjustments arising from further review. Shareholders of the Company and potential investors should pay attention to the annual results of the Group for the year ended 31 December 2019 which is expected to be announced in March 2020.

**Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**AB Builders Group Limited**  
**Lao Chio Seng**  
*Chairman and executive Director*

Macau, 23 January 2020

*As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Lao Chio Seng, Ms. Lao Chao U, Ms. Lao Ka U, Mr. Cheang Iek Wai and Mr. Ip Kin Wa; and three independent non-executive Directors, namely Mr. Chu Yat Pang Terry, Mr. O'Yang Wiley and Mr. Choy Wai Shek, Raymond, MH, JP.*