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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 under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

From the public information, shareholders and potential investors should already be aware of the negative impact of the on-going novel coronavirus (“**COVID-19**”) on the business around the world. The real GDP of Macau for the period ended 30 September 2020 decreased by 63.8% when compared with that for the period ended 30 September 2019. Consequently, some customers had extended the tender validity period or requested for tender re-submission.

The board of directors (the “**Board**”) of the Company wishes to inform shareholders of the Company and potential investors that, based on the information currently available to the Board and preliminary assessments, the Group is currently expected to record a significant net loss of not less than MOP35.0 million for the year ending 31 December 2020 as compared to a net profit of approximately MOP20.3 million for the year ended 31 December 2019.

The expected decline in performance for the year ending 31 December 2020 is mainly attributable to the significant decrease in revenue and gross profit of the Group’s business due to the prolonged COVID-19 and the overall economic depression in Macau and Hong Kong, which leads to a substantial delay in the progress of several on-going construction projects and a suspension of a project.

With reference to the announcement dated 9 July 2020, the Board is already extending the cost-saving measures, including but not limited to, the pay-cut of all executive directors, all senior management and its staff to the end of the year.

The management will keep abreast of the development of COVID-19 and the impact brought by it and explore for business opportunity during this difficult time.

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 to the Board, which have not been reviewed by the audit committee of the Company nor the Company's auditors and are subject to possible adjustments arising from further review.

The Company will closely monitor the situation and provide an update when necessary. The Group's actual result for the year ending 31 December 2020 are subject to changes in market conditions and may differ from the information contained in this announcement. The result announcement of the Company for the year ending 31 December 2020 is expected to be published in March 2021.

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, 14 December 2020

As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Lao Chio Seng, Ms. Lao Chao U, Mr. Lee Siu Cheung, 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.