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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)

DISCLOSEABLE TRANSACTION
ACQUISITION OF DEPOSIT PRODUCT

The Board announces that on 29 September 2023, San Fong Seng, an indirect wholly-owned subsidiary of the Company, has purchased the Deposit Product with a principal amount of USD4,000,000 from the Vendor for a consideration of USD4,077,273.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Acquisition exceeds 5% and but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board announces that on 29 September 2023, San Fong Seng has purchased the Deposit Product with a principal amount of USD4,000,000 from the Vendor for a consideration of USD4,077,273.

ACQUISITION OF THE DEPOSIT PRODUCT

The principal terms of the Acquisition are as follows:

Parties:	(1) San Fong Seng, as the purchaser
	(2) Luso International Banking Limited, as the vendor
Product type:	USD denominated fixed rate certificate of deposit
Issuer:	ABC Sydney Branch
Issuer's rating:	A1

Purchased principal amount:	USD4,000,000
Date of purchase:	29 September 2023
Date of issue:	18 May 2023
Date of maturity:	16 May 2024
Rate of interest:	5.190% per annum

The Acquisition will be funded by the Group's internal resources and bank borrowings. As such, the Deposit Product with a principal amount of USD4,000,000 will be pledged in favour of the Vendor for the loan in the principal amount of USD3,200,000.

REASONS FOR AND BENEFITS OF THE ACQUISITION OF THE DEPOSIT PRODUCT

Taking into account that (i) the Deposit Product is a short-term financial product with relatively low associated risks issued by a reputable commercial bank; (ii) the Acquisition was for the Company's treasury management purpose in order to maximize its return on the Group's surplus cash received from its business operations and the difference in the return to be received under the Acquisition and the interest payable for the bank borrowings, the Group decided to purchase the Deposit Product to improve the utilization of its internal resources, optimize the Group's capital structure while leveraging funding provided by the bank borrowings under the Acquisition and generate better returns of the Group.

The consideration is determined with reference to the principal amount of the Deposit Product to be purchased and the accrued interest from the date of issue up to the date of purchase to be received.

Accordingly, the Directors (including the independent non-executive Directors) are of the view that the terms of the Acquisition were arrived at after the arm's length negotiation and the transaction contemplated thereunder is on normal commercial terms which are fair and reasonable and in the interests of the Company and Shareholders as a whole.

GENERAL INFORMATION OF THE PARTIES

The Group is principally engaged in provision of construction services including structural works and fitting-out works, and sales of air purification unit/system in Macau, Hong Kong, and PRC and whose shares are listed on the Main Board of the Stock Exchange.

San Fong Seng is a limited liability company established under the laws of Macau and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in construction services in Macau.

The Vendor is a company incorporated in Macau with limited liability. The Vendor is a commercial bank in Macau. Based on the public information available as at the date of this announcement, the Vendor is a wholly-owned subsidiary of Xiamen International Bank Co., Ltd., a PRC licensed commercial bank located in Xiamen, PRC, the single largest shareholder of which is Fujian Futou Investment Limited Liability Company* (福建省福投投資有限責任公司), which is wholly-owned by Fujian Investment & Development Group Co., Ltd* (福建省投資開發集團有限責任公司) and the actual controlling shareholder of which is the State-owned Assets Supervision and Administration Commission of the People's Government of Fujian Province.

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, the Vendor and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

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DEFINITIONS

In this announcement, the following expressions shall have the meanings set forth below unless the context otherwise requires:

“ABC”	Agricultural Bank of China Limited, a joint stock company incorporated in the PRC with limited liability and the A Shares and the H shares of which are listed on the Shanghai Stock Exchange (stock code: SH:601288) and the Main Board of the Stock Exchange (stock code: 01288)
“ABC Group”	ABC and its subsidiaries from time to time

“ABC Sydney Branch”	Agricultural Bank of China Limited, Sydney Branch, a branch of ABC
“Acquisition”	Acquisition of the Deposit Product with a principal amount of USD4,000,000 from the Vendor by San Fong Seng for a consideration of USD4,077,273
“Board”	the board of Directors
“Company”	AB Builders Group Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 01615)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Deposit Product”	USD denominated fixed rate certificate of deposit issued by ABC Sydney Branch with a principal amount of USD4,000,000
“Director(s)”	the director(s) of the Company (including its independent non-executive directors)
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	Macau Special Administrative Region of the PRC
“PRC”	the People’s Republic of China and for the purpose of this announcement shall include Hong Kong, Macau and Taiwan
“San Fong Seng”	San Fong Seng Construction & Engineering Company Limited (新方盛建築工程一人有限公司), a limited liability company established under the laws of Macau and an indirect wholly-owned subsidiary of the Company
“Share(s)”	ordinary shares of the Company

“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	United States dollar, the lawful currency of the United States of America
“Vendor”	Luso International Banking Limited, a company incorporated in Macau with limited liability. Luso International Banking Limited is a commercial bank in Macau
“%”	per cent

By order of the Board
AB Builders Group Limited
Lao Chio Seng
Chairman and Executive Director

Macau, 29 September 2023

As at the date of this announcement, the Board comprises five executive directors, namely Mr. Lao Chio Seng, Ms. Lao Chao U, Mr. Roberto Gnanavelu, 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.

* *For identification purpose only*