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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)**

### **VOLUNTARY ANNOUNCEMENT IN RELATION TO THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF THE TARGET COMPANY**

This announcement is made by the Board on a voluntary basis.

#### **THE ACQUISITION**

The Board is pleased to announce that on 14 March 2024 (after trading hours), the Sale and Purchase Agreement was entered into between two vendors (being Independent Third Parties) and the Purchaser (being an indirect wholly-owned subsidiary of the Company) pursuant to which the Purchaser has conditionally agreed to acquire from the vendors the entire issued share capital of the Target Company with effect from Completion free from all encumbrances and together with all rights now or hereafter attached, accrued or accruing thereto including but not limited to all rights to any dividends paid, declared or made in respect thereof after Completion for a Consideration not more than HK\$1,900,000.

Upon Completion, the Target Company will be wholly-owned by the Purchaser. Therefore, the Company will, through its indirect wholly-owned subsidiary, the Purchaser, be interested in the entire issued share capital of the Target Company. The Target Company will also become an indirect wholly-owned subsidiary of the Company and the results of which will be consolidated into the financial statements of the Group.

#### **LISTING RULES IMPLICATIONS**

As all the applicable percentage ratios as set out in the Listing Rules in respect of the Acquisition are less than 5%, the Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

**Shareholders and potential investors of the Company should note that Completion is subject to the fulfillment and/or waiver of the Conditions. Therefore, the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in securities of the Company, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.**

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Upon Completion, the Target Company will be wholly-owned by the Purchaser. Therefore, the Company will, through its indirect wholly-owned subsidiary, the Purchaser, be interested in the entire issued share capital of the Target Company. The Target Company will also become an indirect wholly-owned subsidiary of the Company and the results of which will be consolidated into the financial statements of the Group.

## **SALE AND PURCHASE AGREEMENT**

The terms of the Sale and Purchase Agreement, including the Consideration, were determined between the parties after arm's length negotiations and on normal commercial terms. Major terms of the Sale and Purchase Agreement are set out below:

### **Date**

14 March 2024

### **Parties**

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the two vendors are Independent Third Parties.

The Purchaser is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company.

## **Subject matter of the Acquisition**

The entire issued share capital of the Target Company owned by the two vendors in equal shares as at the date of this announcement.

## **Consideration**

The Consideration payable by the Purchaser for the Acquisition which was determined by reference to, among others, the SFC Licence and the financial position of the Target Company upon Completion, and shall be not more than HK\$1,900,000.

## **Conditions**

Completion is subject to the satisfactory fulfillment and/or waiver of, among others, the following Conditions:

- (a) all approvals (including but not limited to the SFC Approval) by the government and regulatory authorities (including but not limited to the Stock Exchange and the SFC), corporate approvals and consents for all the transactions as contemplated under the Sale and Purchase Agreement being obtained; and
- (b) in relation to all the transactions as contemplated under the Sale and Purchase Agreement, all relevant regulatory requirements (including but not limited to those under the Listing Rules) having been complied with and satisfied.

## **INFORMATION OF THE TARGET COMPANY**

The Target Company is a company incorporated on 15 October 2015 in Hong Kong with limited liability, and is directly owned by the two vendors in equal shares as at the date of this announcement. Upon Completion, the Target Company will be wholly-owned by the Purchaser.

The Target Company possesses the SFC Licence and is engaged in the business of carrying out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO.

As at the date of this announcement, the Target Company has no subsidiary.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group is principally engaged in providing structural works and fitting-out works services.

The Acquisition results in diversification and expansion of the Group's business portfolio. By venturing into the financial services industry of Hong Kong, the Group can reduce its reliance on the construction industry in Macau and tap into new revenue streams.

The Group can also benefit from the financial income generated by the Target Company. This will contribute to the Group's overall financial performance and enhance its portfolio.

In the context of the Greater Bay Area's macroeconomic initiatives, the Acquisition is a strategic alignment with the regional economic development goals. By leveraging the financial hub status of Hong Kong and contributing to the diversification of Macau's economy, the Group positions itself as a diversified enterprise capable of driving and benefiting from the economic synergy within the Greater Bay Area.

Moreover, the Group's commitment to robust risk management, internal control, and corporate governance practices aligns with the Greater Bay Area's vision of establishing a stable and regulated financial environment. This strategic diversification will support the Group's competitive edge and market presence.

Therefore, being a strategic move for a construction company group in Macau, the Acquisition can enhance the Group's competitiveness and market positioning, ultimately positioning the Group for long-term success and sustainability.

Based on the above, the Board considers that the terms and conditions of the Sale and Purchase Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

## LISTING RULES IMPLICATIONS

As all the applicable percentage ratios as set out in the Listing Rules in respect of the Acquisition are less than 5%, the Acquisition does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

**Shareholders and potential investors of the Company should note that Completion is subject to the fulfillment and/or waiver of the Conditions. Therefore, the Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in securities of the Company, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.**

## DEFINITIONS

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

“Acquisition”	the acquisition of the entire issued share capital of the Target Company by the Purchaser pursuant to the Sale and Purchase Agreement
“associate(s)”	shall have the same meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	AB Builders Group Limited (奧邦建築集團有限公司), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed and traded on the Main Board of the Stock Exchange (Stock Code: 01615)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement
“Condition(s)”	the conditions precedent to Completion pursuant to the Sale and Purchase Agreement
“Consideration”	the consideration payable by the Purchaser for the Acquisition of an amount not more than HK\$1,900,000

“Director(s)”	the director(s) of the Company
“Greater Bay Area”	the Guangdong–Hong Kong–Macau Greater Bay Area of the PRC including the cities of Hong Kong, Macau, and nine municipalities in Guangdong Province–Guangzhou, Shenzhen, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen, and Zhaoqing
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	a third party or third parties independent of and not connected with (within the meaning of the Listing Rules) any directors, chief executive, substantial shareholders of the Company, its subsidiaries or any of their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, Macau and Taiwan
“Purchaser”	AB Investment Limited (奧邦投資有限公司), a company incorporated on 7 June 2023 in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the sale and purchase agreement for the Acquisition entered into on 14 March 2024
“SFC Approval”	the approval of the SFC as required under all applicable laws arising out of or in connection with, among others, the change of the substantial shareholders, directors and/or responsible officers of the Target Company as a result of the transactions as contemplated under the Sale and Purchase Agreement

“SFC Licence”	the licence issued by the SFC to the Target Company (central entity no. BGM237) to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Delphinium Capital Partners Limited (德智資本有限公司), a company incorporated on 15 October 2015 in Hong Kong with limited liability, and is directly owned by two Independent Third Parties in equal shares
“%”	per cent.

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

Macau, 14 March 2024

*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.*