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Progressive Path Group Holdings Limited

進昇集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1581)

PROFIT WARNING

This announcement is made by Progressive Path Group Holdings Limited (the “**Company**”, and 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 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 the shareholders of the Company (the “**Shareholders**”) and potential investors that based on a preliminary review of the latest unaudited consolidated management accounts of the Group, as compared with revenue and net profit of approximately HK\$484.5 million and HK\$23.9 million respectively for the previous financial year, it is expected that the Group will record a substantial decrease in revenue and net profit for the year ended 31 March 2018. Such decrease is mainly attributable to the combined effect of (i) a substantial decline in revenue from construction work as most of the construction projects were substantially completed and keen competition faced by the Group in obtaining new businesses during the year ended 31 March 2018; (ii) additional construction costs were incurred towards the completion stage of certain projects; (iii) a substantial decline in revenue in construction machinery rental income, which was mainly the result of the slowdown of business as some of the mega public projects in Hong Kong have been completed during the year and (iv) a decline in gross profit margin since the depreciation cost of machinery purchased recently remained significant.

As the final results of the Group for the year ended 31 March 2018 have not yet been finalised, the information contained in this announcement represents only a preliminary assessment by the Board with reference to the latest unaudited consolidated management accounts of the Group and other information currently available, which have not been audited or reviewed by the auditors of the Company, nor have been confirmed by the audit committee of the Company. Shareholders and potential investors are advised to read carefully the annual results announcement which is expected to be published by the end of June 2018.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Progressive Path Group Holdings Limited
Wu Wing Hang
Chairman and Executive Director

Hong Kong, 25 May 2018

As at the date of this announcement, the executive directors are Mr. Wu Wing Hang and Mr. Chan Tak Ming; and the independent non-executive directors are Mr. Wong Yiu Kit Ernest, Mr. Lee Man Tai and Mr. Leung Ka Fai.