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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)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

FINANCIAL HIGHLIGHTS

- Revenue was approximately HK$515.4 million for the six months ended 30 September 2026, representing an increase of approximately 43.5% as compared with the six months ended 30 September 2025.
- Gross profit was approximately HK$17.2 million for the six months ended 30 September 2026 as compared with approximately HK$14.5 million for the six months ended 30 September 2025, representing an increase of approximately 18.5%.
- Gross profit margin decreased to approximately 3.3% for the six months ended 30 September 2026 from approximately 4.0% for the six months ended 30 September 2025.
- Profit attributable to owners of the Company was approximately HK$4.2 million for the six months ended 30 September 2026 as compared with approximately HK$3.0 million for the six months ended 30 September 2025, representing an increase of approximately 39.1%.
- Earnings per share amounted to approximately HK1.01 cents for the six months ended 30 September 2026 as compared with approximately HK0.73 cent for the six months ended 30 September 2025.
- The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2026.

The board (the "**Board**") of directors (the "**Directors**") of Progressive Path Group Holdings Limited (the "**Company**") hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 September 2026 (the "**Period**") together with the comparative figures for corresponding period ended 30 September 2025.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

		Six months ended 30 September	
	Notes	**2026**	2025
		HK$'000	*HK$'000*
		(unaudited)	(unaudited)
Revenue	4	**515,448**	359,216
Cost of sales		**(498,292)**	(344,744)
Gross profit		**17,156**	14,472
Other income	5	**4,572**	3,737
Administrative expenses		**(10,117)**	(10,493)
Provision for loss allowance on trade receivables, net		**(3,125)**	(350)
Provision for loss allowance on contract assets, net		**(661)**	(177)
Finance costs	6	**(2,574)**	(3,124)
Profit before taxation	8	**5,251**	4,065
Income tax expense	7	**(1,060)**	(1,052)
Profit and total comprehensive income for the period attributable to the owners of the Company		**4,191**	3,013
EARNINGS PER SHARE	10		
– Basic and diluted		**1.01 HK cent**	0.73 HK cent

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2026

	Notes	**As at 30 September 2026** ***HK$'000*** **(unaudited)**	As at 31 March 2026 *HK$'000* (audited)
Non-current assets			
Property, plant and equipment		**132,087**	150,399
Deposits paid for acquisition of property, plant and equipment		**1,200**	–
		133,287	150,399
Current assets			
Trade receivables	11	**230,375**	242,342
Contract assets		**168,517**	134,551
Deposits, prepayments and other receivables		**46,111**	34,203
Income tax recoverable		**–**	318
Pledged bank deposit		**8,000**	8,000
Bank balances and cash		**31,684**	35,991
		484,687	455,405
Current liabilities			
Trade and other payables	12	**204,967**	177,431
Income tax payable		**4,374**	–
Bank borrowings	13	**62,672**	69,807
Lease liabilities		**14,783**	21,211
		286,796	268,449
Net current assets		**197,891**	186,956
Total assets less current liabilities		**331,178**	337,355

	Notes	**As at 30 September 2026** ***HK$'000*** **(unaudited)**	As at 31 March 2026 *HK$'000* (audited)
Non-current liabilities			
Lease liabilities		**11,880**	18,934
Deferred tax liabilities		**4,009**	7,323
		15,889	26,257
Net assets		**315,289**	311,098
Capital and reserves			
Share capital	14	**20,750**	20,750
Reserves		**294,539**	290,348
Total equity		**315,289**	311,098

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

1. GENERAL INFORMATION

The Company is a limited company incorporated in the Cayman Islands under the Companies Law (Chapter 22, Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 8 December 2016. Its immediate holding company and ultimate holding company is Profit Gold Global Limited, a limited company incorporated in the British Virgin Islands (the "**BVI**"). The address of the registered office and the principal place of business of the Company are Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and Unit 1108, 11/F., Tuen Mun Central Square, No. 22 Hoi Wing Road, Tuen Mun, New Territories, Hong Kong, respectively.

The Company is an investment holding company while the principal subsidiaries of the Company are principally engaged in the construction works and provision of construction machinery rental.

The condensed consolidated interim financial information are presented in Hong Kong dollars ("**HK$**"), which is also the functional currency of the Company and its subsidiaries (collectively referred to as the "**Group**").

2. BASIS OF PREPARATION

The condensed consolidated interim financial information of the Group for the six months ended 30 September 2026 have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

3. ACCOUNTING POLICIES

The condensed consolidated interim financial information have been prepared on the historical cost basis.

The accounting policies used in the condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2026, except as described below.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied, for its first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning 1 April 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material effect on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in the consolidated interim financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents revenue arising on construction works and construction machinery rental. An analysis of the Group's revenue for the period is as follows:

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
– Construction works	**416,940**	244,779
Revenue from provision of machinery rental within the scope of HKFRS 16		
– Construction machinery rental	**98,508**	114,437
	515,448	359,216

Set out below is the disaggregation of the Group's revenue from contracts with customers by timing of recognition:

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Time of revenue recognition		
– Over time	**416,940**	244,779

Information reported to the directors of the Company, being the chief operating decision maker, for the purpose of resource allocation and assessment of segment performance focuses on types of services provided. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable segments are as follows:

– Construction works; and

– Construction machinery rental.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments.

For the six months ended 30 September 2026 (unaudited)

	Construction works *HK$'000*	**Construction machinery rental** *HK$'000*	**Total** *HK$'000*
Revenue			
External revenue	**416,940**	**98,508**	**515,448**
Inter-segment revenue	**–**	**25,089**	**25,089**
Segment revenue	**416,940**	**123,597**	**540,537**
Eliminations			**(25,089)**
Group's revenue			**515,448**
Segment profit	**6,418**	**1,539**	**7,957**
Unallocated income			**4,572**
Unallocated corporate expenses			**(4,704)**
Unallocated finance costs			**(2,574)**
Profit before taxation			**5,251**

For the six months ended 30 September 2025 (unaudited)

	Construction works *HK$'000*	Construction machinery rental *HK$'000*	Total *HK$'000*
Revenue			
External revenue	244,779	114,437	359,216
Inter-segment revenue	–	30,372	30,372
Segment revenue	244,779	144,809	389,588
Eliminations			(30,372)
Group's revenue			359,216
Segment profit	6,073	2,025	8,098
Unallocated income			3,737
Unallocated corporate expenses			(4,646)
Unallocated finance costs			(3,124)
Profit before taxation			4,065

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of central administration costs, directors' salaries, other income and finance costs. This is the measure reported to the chief operating decision maker with respect to the resource allocation and performance assessment.

Inter-segment sales are conducted with terms mutually agreed by both contract parties.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

Segment assets

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Construction works	**480,687**	413,392
Construction machinery rental	**73,754**	124,596
Total segment assets	**554,441**	537,988
Corporate and other assets	**63,533**	67,816
Total assets	**617,974**	605,804

Segment liabilities

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Construction works	**187,338**	154,811
Construction machinery rental	**46,931**	60,754
Total segment liabilities	**234,269**	215,565
Corporate and other liabilities	**68,416**	79,141
Total liabilities	**302,685**	294,706

For the purposes of monitoring segment performance and allocating resources between segments:

– All assets are allocated to operating segments, other than pledged bank deposit, deposits and prepayments for life insurances, certain other receivables and bank balances and cash. Assets used jointly by reportable segments are allocated on the basis of the revenue earned by individual reportable segment; and

– All liabilities are allocated to operating segments, other than certain other payables, bank borrowings and deferred tax liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

In measuring the Group's segment assets and liabilities, property, plant and equipment and lease liabilities of approximately HK$132,087,000 and HK$26,663,000 (31 March 2026: HK$150,399,000 and HK$40,145,000) respectively were allocated to construction works and construction machinery rental segments. However, the relevant gain on disposal of property, plant and equipment and interest on lease liabilities of approximately HK$1,351,000 (2025: HK$1,040,000) and HK$1,024,000 (2025: HK$1,486,000) respectively were not included in the measurement of segment results for the six months ended 30 September 2026. Should the gain on disposal of property, plant and equipment and interest on lease liabilities be included in the measurement of segment results, the segment profit of construction works and construction machinery rental for the six months ended 30 September 2026 would be approximately HK$6,640,000 (2025: HK$5,759,000) and HK$1,644,000 (2025: HK$1,893,000) respectively.

5. OTHER INCOME

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Gain on disposal of property, plant and equipment	**1,351**	1,040
Sales of scrap materials	**910**	–
Government grant (note)	**864**	1,755
Compensation income	**702**	–
Rental income	**300**	195
Interest income from life insurance	**250**	243
Auxiliary and other service income	**195**	321
Bank interest income	**–**	183
	4,572	3,737

Note: Government grant has been recognised as other income upon receipt for grant with no unfulfilled condition or contingency.

6. FINANCE COSTS

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Interest on:		
– bank borrowings	**1,550**	1,638
– lease liabilities	**1,024**	1,486
	2,574	3,124

7. INCOME TAX EXPENSE

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Current tax	**4,374**	–
Deferred taxation	**(3,314)**	1,052
Income tax expense	**1,060**	1,052

8. PROFIT BEFORE TAXATION

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit before taxation for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	**34,204**	41,942

9. DIVIDEND

No dividend was paid or proposed during the six months ended 30 September 2026 and 2025, nor has any dividend been proposed since the end of the reporting period.

10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following:

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Earnings		
Earnings for the purpose of basic and diluted earnings per share, representing profit for the period attributable to owners of the Company	**4,191**	3,013

	Six months ended 30 September	
	2026	2025
	'000	*'000*
	(unaudited)	(unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	**415,000**	415,000

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 September 2026 and 2025.

11. TRADE RECEIVABLES

The following is an analysis of trade receivables at the end of each reporting period:

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Trade receivables	**264,590**	273,432
Less: loss allowance on trade receivables	**(34,215)**	(31,090)
	230,375	242,342

The following is an ageing analysis of trade receivables net of loss allowance presented based on the invoice date, which approximates the respective revenue recognition date, at the end of the reporting period:

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Within 30 days	**37,681**	74,185
31 to 60 days	**61,349**	63,249
61 to 90 days	**14,263**	10,683
91 to 180 days	**30,264**	21,561
181 to 365 days	**41,043**	42,971
Over 365 days	**45,775**	29,693
	230,375	242,342

12. TRADE AND OTHER PAYABLES

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Trade payables	**68,367**	77,710
Other payables	**93,240**	64,008
Consideration payables for acquisition of property, plant and equipment	**18,198**	9,691
Accruals	**25,162**	26,022
	204,967	177,431

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Within 30 days	**22,432**	48,205
31 to 60 days	**17,633**	8,405
61 to 90 days	**8,854**	3,433
91 to 365 days	**16,490**	15,288
Over 365 days	**2,958**	2,379
	68,367	77,710

13. BANK BORROWINGS

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Secured	**54,277**	60,487
Unsecured	**8,395**	9,320
	62,672	69,807

Carrying amount repayable (based on scheduled repayment dates set out in the loan agreements):

	At 30 September 2026	At 31 March 2026
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Within one year	**49,583**	52,951
After one year but within two years	**9,221**	9,632
After two years but within five years	**3,868**	7,224
	62,672	69,807
Carrying amount of bank borrowings that is not repayable within one year from the end of the reporting period but contains a repayment on demand clause (shown under current liabilities)	**13,089**	16,856
Carrying amount repayable within one year	**49,583**	52,951
Amount shown under current liabilities	**62,672**	69,807

14. SHARE CAPITAL

	Number of shares	**Share capital** *HK$'000*
Ordinary shares of HK$0.05 each		
Authorised		
At 31 March 2026 (audited) and 30 September 2026 (unaudited)	2,000,000,000	100,000
Issued and fully paid		
At 31 March 2026 (audited) and 30 September 2026 (unaudited)	415,000,000	20,750

BUSINESS AND FINANCIAL REVIEW

The Company and its subsidiaries (collectively, the "**Group**") is principally engaged in (i) construction works and (ii) the provision of construction machinery rental services. Our construction works represent the construction projects undertaken in foundation and site formation works. Our construction machinery rental services represent the rental of construction machines and construction vehicles to our customers, and the provision of machine operators and transportation services as part of our one-stop construction machinery rental services.

The Group recorded revenue of approximately HK$515.4 million for the six months ended 30 September 2026 (the "**Period**"), representing an increase of approximately 43.5% from approximately HK$359.2 million for the six months ended 30 September 2025. Net profit increased from approximately HK$3.0 million for the six months ended 30 September 2025 to approximately HK$4.2 million for the Period. The improvement in net profit was mainly attributable to the increase in revenue generated from the Group's construction works, supported by the progress of ongoing construction projects. Nevertheless, the Group's gross profit margin decreased from approximately 4.0% to approximately 3.3%, primarily reflecting keen market competition and continued pressure on project pricing and operating costs during the Period.

During the Period, Hong Kong's construction industry continued to operate in a challenging environment, characterised by subdued private-sector construction demand, intense tender competition and persistent cost pressures. Although the property market showed signs of stabilisation, developers generally maintained a cautious approach towards launching new projects, which continued to constrain private-sector construction activities. Nevertheless, public infrastructure and railway development projects remained important drivers of construction demand, providing business opportunities for contractors and construction machinery rental operators.

Against this backdrop, the Group continued to participate in major infrastructure and railway construction projects in Hong Kong. Key projects undertaken during the Period included the Oyster Bay Station project, the Hung Shui Kiu Station project and the residential development project at Sung Wong Toi Station. These projects contributed to the Group's construction activities and provided support to its revenue performance during the Period. The Group remained focused on effective project execution, operational efficiency and cost management amid the competitive market environment.

Looking ahead, the Group remains cautiously optimistic about the medium-term prospects of Hong Kong's construction industry, particularly the public infrastructure sector. The Hong Kong Special Administrative Region ("**HKSAR**") Government has reaffirmed its commitment to infrastructure development, with estimated capital works expenditure of approximately HK$128 billion for 2026–27. The continued advancement of major development initiatives, including the Northern Metropolis, the Hung Shui Kiu/Ha Tsuen New Development Area and various railway expansion projects, is expected to provide ongoing opportunities for

the construction industry. The 2026 Policy Address also introduced measures to accelerate infrastructure development and streamline project implementation, which are expected to support construction activities over the medium to long term.

Despite the positive outlook for public infrastructure investment, the Group anticipates that keen competition, pricing pressure and fluctuations in construction costs will continue to affect the operating environment. The Group will maintain a prudent approach in tendering for new projects, strengthen cost control and resource allocation, and capitalise on opportunities arising from major infrastructure developments. By leveraging its established experience in construction works and construction machinery rental services, the Group aims to maintain a sustainable business portfolio, improve operational efficiency and enhance long-term shareholder value.

Revenue

During the Period, the Group generated revenue from construction works and construction machinery rental. Set out below is the breakdown of revenue of the Group during the six months ended 30 September 2026 and 2025.

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
Construction works	**416,940**	244,779
Construction machinery rental	**98,508**	114,437
	515,448	359,216

Revenue from construction works

During the Period, the revenue derived from our construction works amounted to approximately HK$416.9 million (six months ended 30 September 2025: HK$244.8 million), accounting for approximately 80.9% (six months ended 30 September 2025: 68.1%) of our total revenue.

Such increase in revenue from construction works was mainly attributable to the substantial revenue contributions from several major infrastructure and railway-related construction projects during the Period, particularly the Oyster Bay Station project, the Hung Shui Kiu Station project and the residential development project at Sung Wong Toi Station. In addition, the continued progress of construction works relating to the Development of the Lok Ma Chau Loop also contributed to the increase in revenue. The increased volume of construction works undertaken and progress achieved on these projects collectively drove the significant growth in the Group's construction works revenue during the Period.

Set out below is a list of major projects undertaken by the Group during the Period:

Project name	Type of works	Revenue recognised during the Period *(Approximately HK$ million)*	Status
Oyster Bay Station and Associated Works	Foundation and site formation works	122.6	In progress
Hung Shui Kiu Station	Foundation and site formation works	88.1	In progress
Residential development project at Sung Wong Toi Station, Kai Tak	Foundation and site formation works	68.5	In progress
Development of Lok Ma Chau Loop	Foundation and site formation works	45.0	In progress

The Group was awarded two new projects during the Period. The Group has been actively participating in tenders for new public and private construction projects.

As at 30 September 2026, there were twenty-eight projects on hand with total outstanding contract sum amounting to HK$828.0 million. The following table sets out the Group's principal ongoing projects with outstanding contract sums exceeding HK$20 million each as at 30 September 2026:

Project name	Expected completion date
Automated People Mover (APM) and Baggage Handling System (BHS) – Hong Kong International Airport	Q4 2026
Residential development project at Sung Wong Toi Station, Kai Tak	Q1 2027
Oyster Bay Station and Associated Works	Q1 2028
Hung Shui Kiu Station	Q3 2028

Revenue from construction machinery rental

During the Period, the revenue derived from our construction machinery rental amounted to approximately HK$98.5 million (six months ended 30 September 2025: HK$114.4 million), accounting for approximately 19.1% (six months ended 30 September 2025: 31.9%) of our total revenue. The decrease of approximately 13.9% in revenue from construction machinery rental was mainly attributable to reduced rental demand following the gradual completion of major construction works associated with the Three-Runway System ("**3RS**") project at the Hong Kong International Airport and the West New Territories Landfill Extension project, resulting in lower machinery demand and rental income during the Period.

Gross Profit and Gross Profit Margin

The Group's total gross profit increased by approximately HK$2.7 million, from approximately HK$14.5 million for the six months ended 30 September 2025 to approximately HK$17.2 million for the Period while our gross profit margin decreased from approximately 4.0% for the six months ended 30 September 2025 to approximately 3.3% for the Period.

The decrease in gross profit margin was primarily attributable to lower profit margins achieved on newly awarded construction contracts as a result of intense market competition and continued pressure on tender pricing. In addition, certain construction projects incurred additional costs towards their final stages, which further compressed the profitability of the construction works segment. The profitability of the construction machinery rental segment was also affected by increasingly competitive market conditions, coupled with rising repair and maintenance costs.

Other Income

The Group's other income increased from approximately HK$3.7 million during the six months ended 30 September 2025 to approximately HK$4.6 million during the Period. Such increase was mainly attributable to higher income from the sale of scrap materials and compensation received during the Period, partially offset by a decrease in government grants recognised.

Administrative Expenses

The administrative expenses of the Group for the Period amounted to approximately HK$10.1 million, as compared with approximately HK$10.5 million for the six months ended 30 September 2025. Administrative expenses remained relatively stable during the Period, with a slight decrease of approximately 3.6%.

Provision for loss allowance on trade receivables and contract assets

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
Provision for loss allowance on trade receivables, net	**3,125**	350
Provision for loss allowance on contract assets, net	**661**	177

During the Period, the Group recorded a net provision for loss allowance under the expected credit loss ("**ECL**") model of approximately HK$3.8 million on trade receivables and contract assets, compared with a net provision of approximately HK$0.5 million for the six months ended 30 September 2025.

The increase was mainly attributable to higher expected credit losses recognised on trade receivables and contract assets during the Period, primarily reflecting changes in the ageing profile of outstanding balances and the Group's assessment of the recoverability of certain receivables and contract assets, taking into account the prevailing market conditions and credit risk of its customers.

Finance Costs

The finance costs of the Group for the Period amounted to approximately HK$2.6 million, representing a decrease of approximately 17.6% as compared with approximately HK$3.1 million for the six months ended 30 September 2025. Such decrease was mainly attributable to the lower outstanding balance of interest-bearing liabilities during the Period.

Net Profit

Net profit increased by approximately HK$1.2 million to approximately HK$4.2 million for the Period as compared with approximately HK$3.0 million for the six months ended 30 September 2025. Such increase was primarily attributable to the substantial growth in revenue from construction works during the Period, which contributed to an increase in gross profit, notwithstanding a decline in gross profit margin. The improvement in profitability was partially offset by an increase in the provision for loss allowance on trade receivables during the Period.

Trade Receivables

As at 30 September 2026, trade receivables amounted to approximately HK$230.4 million, representing a decrease of 4.9% as compared with approximately HK$242.3 million as at 31 March 2026. Certain balances remained outstanding for a longer period due to the extended certification and approval procedures associated with large-scale infrastructure projects. Subsequent to the reporting date and up to the date of this announcement, approximately HK$86.4 million of trade receivables had been settled. The Group continues to closely monitor overdue balances through regular reviews of ageing profiles and maintains ongoing communication with customers to facilitate timely settlement. Appropriate recovery actions, including legal action where considered necessary, are taken in respect of long-outstanding receivables.

Contract Assets

As at 30 September 2026, the Group's contract assets amounted to approximately HK$168.5 million, representing an increase of approximately 25.2% as compared with approximately HK$134.6 million as at 31 March 2026. Such increase was mainly attributable to the increased volume of construction works undertaken and the progress achieved on various ongoing construction projects during the Period.

The Group continues to closely monitor the progress of certification and billing of construction works, the release of retention monies and the recoverability of its contract assets.

Liquidity, Financial Resources and Capital Structure

The Group has funded the liquidity and capital requirements primarily through cash inflows from operating activities and bank borrowings.

As at 30 September 2026, the Group had bank balances of approximately HK$31.7 million (31 March 2026: HK$36.0 million). The interest-bearing liabilities of the Group as at 30 September 2026 were approximately HK$89.3 million (31 March 2026: HK$110.0 million). The gearing ratio is calculated based on the amount of total interest-bearing liabilities divided by total equity. The gearing ratio of the Group as at 30 September 2026 was approximately 28.3% (31 March 2026: 35.3%), representing a decrease of approximately 7.0 percentage points.

Interim Dividend

The board (the "**Board**") of directors of the Company (the "**Directors**") has resolved not to declare any interim dividend for the Period.

Prospects

Looking ahead, the Group expects Hong Kong's construction industry to remain challenging and highly competitive in the near term. Following the substantial completion of several major infrastructure projects, including the 3RS at Hong Kong International Airport, competition for new construction contracts has intensified. Despite signs of stabilisation in the private property market, private-sector construction demand remains subdued, while rising operating costs and competitive tender pricing continue to exert pressure on profit margins.

Nevertheless, the Group remains cautiously optimistic about the medium to long term prospects of the construction industry, supported by the HKSAR Government's continued commitment to infrastructure development. The planned investment in public works, together with the progressive implementation of major initiatives such as the Northern Metropolis and various railway development projects, is expected to provide new business opportunities for the industry.

Against this backdrop, the Group will continue to adopt a prudent approach in pursuing new projects, with a focus on cost control, operational efficiency and disciplined tendering. Leveraging its experience in construction works and construction machinery rental services, the Group aims to strengthen its competitiveness, maintain sustainable profitability and enhance long-term shareholder value.

Pledge of Assets

As at 30 September 2026, certain banking facilities, bank borrowings and lease liabilities of the Group were secured by the property, plant and equipment with an aggregate net carrying value of approximately HK$34.9 million (31 March 2026: HK$50.3 million), deposits and prepayments for life insurances with an aggregate carrying value of approximately HK$23.8 million (31 March 2026: HK$23.6 million) and pledged bank deposit with an aggregate net book value of approximately HK$8.0 million (31 March 2026: HK$8.0 million).

Foreign Exchange Risk

The Group mainly operates in Hong Kong and most of the operating transactions such as revenue, expenses, monetary assets and liabilities are denominated in Hong Kong dollars ("**HK$**"). The Directors are of the view that the Group's risk in foreign exchange is insignificant and that we should have sufficient resources to meet foreign exchange requirements as and if they arise. Therefore, the Group has not engaged in any derivative contracts to hedge its exposure to foreign exchange risk during the Period.

Employees and Remuneration Policy

As at 30 September 2026, the Group employed 616 staff (30 September 2025: 349). Total staff costs including directors' emoluments for the Period, amounted to approximately HK$141.5 million (six months ended 30 September 2025: HK$81.5 million). The salary and benefit levels of the employees of the Group are competitive and individual performance is rewarded through the Group's salary and bonus system. The Group conducts annual review on salary increase, discretionary bonuses and promotions based on the performance of each employee.

During the Period, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

Capital Commitments

As at 30 September 2026, the Group had no material capital commitments (31 March 2026: nil).

Contingent Liabilities

As at 30 September 2026, a performance bond amounting to approximately HK$4.7 million (31 March 2026: nil) was issued by a bank in favour of a customer of the Group as security for the due performance and observance of the Group's obligations under the construction contract entered into between the Group and the customer. At the end of the reporting period, the Directors considered that it was not probable that a claim would be made against the Group under the performance bond. The maximum liability of the Group under the performance bond at the end of the reporting period was equivalent to the outstanding amount thereof at that date.

Apart from above, three subsidiaries of the Group were involved in four ongoing employees' compensation claims and personal injury claims (31 March 2026: three subsidiaries of the Group were involved in five ongoing employees' compensation and personal injury claims). The Directors considered that the possibility of any outflow in settling the legal claims was remote as these claims were well covered by insurance and subcontractors' indemnity. Accordingly, no provision for the contingent liabilities in respect of the litigations is necessary, after due consideration of each case.

Material Acquisitions and Disposals

During the Period, the Group did not have any material acquisitions and disposals.

Significant Investment

During the Period, the Group has no significant investment held.

Future Plans for Material Investments or Capital Assets

The Group did not have any plans for material investments and capital assets during the Period.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Company strives to attain and maintain a high standard of corporate governance as it believes that effective corporate governance practices are fundamental to enhancing shareholders' value and safeguarding interests of shareholders and other stakeholders. Accordingly, the Board attributes a high priority to identifying and implementing appropriate corporate governance practices to ensure transparency, accountability and effective internal controls.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). During the Period, the Company has complied with the code provisions under the CG Code, except for the deviation from code provision C.2.1 of the CG Code as explained below. The Company will continue to enhance its corporate governance practices appropriate to the operation and growth of the business of the Group. According to code provision C.2.1 of the CG Code, the role of the chairman and the chief executive officer of the Company should be separate and should not be performed by the same individual. Throughout the Period and up to the date of this announcement, the role of the chairman of the Company is performed by Mr. Wu Wing Hang but the office of the chief executive officer of the Company is vacated. The daily operation and management of the Company is monitored by the executive Directors as well as the senior management. The Board is of the view that although there is no chief executive officer, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting operation of the Company.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. In response to a specific enquiry by the Company, all Directors have confirmed that they have complied with the required standards as set out in the Model Code during the Period and up to the date of this announcement.

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the "**Share Option Scheme**") on 15 November 2016. The principal terms of the Share Option Scheme are summarised in Appendix IV to the prospectus of the Company dated 28 November 2016. The main purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group. The Share Option Scheme remained in force for a period of ten years and expired on 13 November 2026 in accordance with its terms.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption and up to its expiry.

As at the date of this announcement, the Company has not adopted any new share scheme.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S SECURITIES

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DISCLOSURE OF INFORMATION ON DIRECTORS PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, the change of information of a Director is as below:

Mr. Lee Man Tai, an independent non-executive director of the Company, resigned as the company secretary of Madison Holdings Group Limited, a company listed on GEM of the Stock Exchange (stock code: 8057) with effect from 26 September 2026.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**"), with its terms of reference established in compliance with the Listing Rules, comprises three independent non-executive Directors, namely Mr. Lee Man Tai (the chairman of the Audit Committee), Mr. Du Hanzhi and Ms. Tong Sze Sze Cecilia.

The Audit Committee has reviewed the Group's unaudited condensed consolidated interim financial information for the Period. The Audit Committee was satisfied that the unaudited condensed consolidated interim financial information were prepared in accordance with applicable accounting standards and requirements as well as the Listing Rules and relevant adequate disclosures have been made.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The results announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company's website at www.ppgh.com.hk. The interim report of the Company for the six months ended 30 September 2026 containing all information required by the Listing Rules will be dispatched to shareholders and published on above websites in due course.

APPRECIATION

The Board would like to express its sincere thanks to the management of the Group and all the staff for their hard work and commitment, as well as its shareholders, business partners and other professional parties for their continuous support.

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

Hong Kong, 27 November 2026

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. Du Hanzhi, Mr. Lee Man Tai and Ms. Tong Sze Sze Cecilia.