

**PROGRESSIVE PATH GROUP HOLDINGS LTD:  
CHAIRMAN WU WING HANG NEEDS A CASH INJECTION  
IN ORDER TO BUY REPLACEMENT MACHINERY**

Although the Revenue of Progressive Path Group Holdings Ltd () (Code: 1581, Main Board, The Stock Exchange of Hongkong Ltd) has risen by 156.33 percent, during the 36 months, ended March 31, 2016, this Company's Bottom Line has only achieved an increase of 25.67 percent, during this same period.

The Net Profit Margin of Progressive Path, which is one of the latest companies to seek a listing on the premier equity market of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), has, during the past three Financial Years, drifted down, from 18.31 percent in respect of the 2014-Year, to 8.98 percent in respect of the 2015-Year.

All of which is not very appetising, in this medium's opinion.

**The Business Of Progressive Path Group Holdings Ltd**

The business of Progressive Path Group Holdings Ltd is described as being twofold: Being an HKSAR-based subcontractor with regard to construction works; and, being in the business of leasing out its construction machines and construction vehicles to its customers.

The Company has a history of about 13 years, having been founded by Mr Wu Wing Hang (), the Controlling Shareholder of the Company.

An '**OVERVIEW**' of the Company's business is given at Page 111 of the Share Offer Prospectus, dated November 28, 2016:

*'We are a Hong Kong-based subcontractor engaged in (i) construction works; and (ii) the provision of construction machinery rental services. 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 service. Our construction works services represent the construction projects undertaken by us, the nature of which are broadly classified as foundation and site formation works, and builder's work and general building works. The following table sets forth the breakdown of our revenue by our two types of services during the Track Record Period (the 38 months, ended May 31, 2016):*

		<i>For the year ended 31 March</i>				<i>'For the two months ended</i>	
						<i>31 May</i>	
		<i>2014</i>	<i>2015</i>	<i>2016</i>		<i>2016</i>	
	<i>Revenue</i>	<i>% of total</i>	<i>Revenue</i>	<i>% of total</i>	<i>Revenue</i>	<i>% of total</i>	
	<i>(HK\$'000)</i>	<i>revenue</i>	<i>(HK\$'000)</i>	<i>revenue</i>	<i>(HK\$'000)</i>	<i>revenue</i>	<i>(HK\$'000)</i>
<b>Construction</b>							
<b>Works</b>	107,528	67.3	152,953	41.7	168,949	41.3	31,791
<b>Construction Machinery</b>							

<i>Rental</i>	<u>52,165</u>	<u>32.7</u>	<u>213,776</u>	<u>58.3</u>	<u>240,400</u>	<u>58.7</u>	<u>37,416</u>	<u>54.1</u>
<i>Total revenue</i>	<u>159,693</u>	<u>100</u>	<u>366,729</u>	<u>100</u>	<u>409,349</u>	<u>100</u>	<u>69,207</u>	<u>100</u>

*‘Note: We had five construction works projects, with the aggregate contract sum at approximately HK\$118.4 million, to which we also provided construction machinery rental services, all on separate engagement. Hence, revenue generated from providing each type of services was included in the two business segments separately. The aggregate accumulated revenue attributable to construction works services recognised during the Track Record Period of these five projects were approximately HK\$84.5 million, while the aggregate accumulated revenue attributable to construction machinery rental services recognised during the Track Record Period of these five projects were approximately HK\$127.7 million.*

*‘We maintained over 400 construction machinery in our machinery fleet as at the Latest Practicable Date (November 18, 2016) for our construction works and rental to our customers. We have provided our rental services to over 70, 110, 140 and 55 customers for each of the three years ended 31 March 2016 and the two months ended 31 May 2016, respectively.’*

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