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Milestone Builder Holdings Limited

進階發展集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1667)

PROFIT WARNING

This announcement is made by Milestone Builder Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) pursuant to Rule 13.09(2)(a) 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that based on the information currently available to the Board and the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 March 2020 (the “Year”), it is expected that the audited consolidated statement of comprehensive income of the Group for the Year will record a loss attributable to owners of the Company as compared to a profit for the year ended 31 March 2019 (“Last Year”). The turnaround of the Group’s results was primarily attributable to:

1. Certain projects with relatively larger initial contract sum were completed or substantially completed during the Year and contributions in revenue, compared to Last Year, by such projects were reduced;
2. Decrease in awards of projects in both public and private sectors, due to the negative effect arising from social events, political disputes and the overall economic downturn in Hong Kong. It drove down the Group’s revenue recognized during the Year; and
3. Cost overrun resulting from unexpected prolonged completion of certain projects because of the outbreak of the novel coronavirus epidemic (“COVID-19”).

However, the Company is still in the process of finalising the audited annual results of the Group for the Year. As such, the information contained in this announcement is only based on the preliminary assessment by the management of the Company with reference to the information currently available

including the unaudited consolidated management accounts of the Group, which have not been reviewed by the Company's independent auditors or the audit committee of the Company and are therefore subject to adjustments. The actual annual results of the Group for the Year may therefore be different from what is disclosed in this announcement. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the Year, which is expected to be published by end of June 2020.

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

By Order of the Board
Milestone Builder Holdings Limited
Leung Kam Fai
Chairman and Executive Director

Hong Kong, 2 June 2020

As at the date of this announcement, the executive directors of the Company are Mr. Leung Kam Fai (Chairman) and Mr. Lam Ka Ho, and the independent non-executive directors of the Company are Mr. Keung Kwok Hung, Ms. Lau Suk Han Loretta, Mr. Wong Chun Tai and Mr. Fong Man Fu Eric.