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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)

RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE

References are made to the prospectus of Progressive Path Group Holdings Limited (the “**Company**”) dated 24 August 2022 (the “**Prospectus**”) and the announcement of the Company dated 13 September 2022 (the “**Announcement**”) in relation to, among others, the Rights Issue. Capitalised terms used herein shall have the same meanings as those defined in the Prospectus, unless the context otherwise requires.

RESULTS OF THE RIGHTS ISSUE AND THE COMPENSATORY ARRANGEMENTS

As disclosed in the Announcement, as at 4:00 p.m. on Wednesday, 7 September 2022, being the Latest Time for Acceptance, a total of four valid applications had been received for a total of 148,533,670 Rights Shares, representing approximately 71.6% of the total number of Rights Shares offered under the Rights Issue. Pursuant to the Irrevocable Undertaking, Profit Gold has subscribed for 122,199,000 Rights Shares provisionally allotted to it. The remaining 58,966,330 Unsubscribed Rights Shares, representing approximately 28.4% of the total number of Rights Shares offered under the Rights Issue, will be subject to the Compensatory Arrangements.

The Board wishes to announce that, as at 4:00 p.m. on Friday, 16 September 2022, being the latest time of placing of the Unsubscribed Rights Shares by the Placing Agent, all the 58,966,330 Unsubscribed Rights Shares were successfully placed at the price of HK\$0.26 per Share, which is equal to the Subscription Price, under the Placing. Accordingly, there is no Net Gain available to be distributed to the No Action Shareholders under the Compensatory Arrangements.

To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, (i) each of the placees and where appropriate, their respective ultimate beneficial owner(s), is independent of and not connected with the Company and its connected persons and not a connected person of the Company; (ii) each of the placees and where appropriate, their respective ultimate beneficial owner(s), is not a party acting in concert with

Profit Gold and party acting in concert with it; and (iii) none of the placees has become a substantial shareholder of the Company (as defined under the Listing Rules) upon completion of the Placing.

As all the conditions with respect to the Rights Issue as set out in the Prospectus have been fulfilled, the Rights Issue became unconditional at 4:00 p.m. on Monday, 19 September 2022.

Accordingly, the gross proceeds raised from the Rights Issue (including the Compensatory Arrangements) were approximately HK\$54.0 million and the net proceeds from the Rights Issue after deducting the expenses were approximately HK\$52.0 million. The Company intends to apply the net proceeds from the Rights Issue as to (i) approximately HK\$37.3 million for the acquisition of air compressors in order to enhance the machinery fleet for rental; and (ii) approximately HK\$14.7 million for general working capital of the Group, as disclosed in the Prospectus.

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the following table sets out the shareholding structure of the Company immediately before and after the completion of the Rights Issue:

	Immediately before completion of the Rights Issue and the Placing		Immediately after completion of the Rights Issue and the Placing	
	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>
Profit Gold Global Limited ^(Note 1)	122,199,000	58.89	244,398,000	58.89
Independent placees	–	–	58,966,330	14.21
Other public Shareholders	85,301,000	41.11	111,635,670	26.90
Total	<u>207,500,000</u>	<u>100.00</u>	<u>415,000,000</u>	<u>100.00</u>

Notes:

1. Profit Gold Global Limited is a company incorporated in the BVI with limited liability and is wholly-owned by Mr. Wu.
2. The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

DESPATCH OF SHARE CERTIFICATES FOR RIGHTS SHARES

Share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on Friday, 23 September 2022.

COMMENCEMENT OF DEALINGS IN FULLY-PAID RIGHTS SHARES

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Monday, 26 September 2022.

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

Hong Kong, 22 September 2022

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.