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GC Construction Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1489)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL HIGHLIGHTS

- Revenue decreased from approximately HK\$585.2 million for the year ended 31 March 2024 to approximately HK\$530.7 million for the year ended 31 March 2025, representing a decrease of approximately HK\$54.5 million or 9.3%.
- Gross profit decreased from approximately HK\$41.8 million for the year ended 31 March 2024 to approximately HK\$2.1 million for the year ended 31 March 2025, representing a decrease of approximately HK\$39.7 million.
- The Group recorded a loss and total comprehensive expense for the year attributable to owners of the Company of approximately HK\$53.5 million for the year ended 31 March 2025 (2024: a profit and total comprehensive income of approximately HK\$19.1 million).
- Basic loss per share attributable to owners of the Company was approximately HK5.3 cents for the year ended 31 March 2025 (2024: basic earnings per share of approximately HK1.9 cents).
- The Board has resolved not to recommend the declaration of a final dividend for the year ended 31 March 2025 (2024: nil).

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of GC Construction Holdings Limited (the “**Company**”) is pleased to present the consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2025, together with the comparative figures for the year ended 31 March 2024.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Revenue	4	530,657	585,170
Cost of services		<u>(528,535)</u>	<u>(543,327)</u>
Gross profit		2,122	41,843
Other income and gain	5	83	102
Administrative expenses		(22,519)	(20,733)
Impairment loss on trade receivables and contract assets		<u>(33,573)</u>	<u>(625)</u>
Operating (loss)/profit		<u>(53,887)</u>	20,587
Finance income		899	2,287
Finance costs		<u>(254)</u>	<u>(114)</u>
Finance income, net		<u>645</u>	<u>2,173</u>
(Loss)/profit before income tax expense	6	(53,242)	22,760
Income tax expense	7	<u>(229)</u>	<u>(3,691)</u>
(Loss)/profit and total comprehensive (expense)/income for the year attributable to owners of the Company		<u>(53,471)</u>	<u>19,069</u>
(Loss)/earnings per share attributable to owners of the Company			
Basic and diluted (<i>expressed in HK cents per share</i>)	8	<u>(5.3)</u>	<u>1.9</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Plant and equipment		2,393	3,808
Right-of-use assets		331	827
Deposits		–	184
		<u>2,724</u>	<u>4,819</u>
Current assets			
Trade receivables	10	83,759	76,038
Contract assets	11	208,398	214,508
Other receivables, deposits and prepayments		5,011	4,758
Amount due from immediate holding company		150	97
Tax recoverable		2,256	2,497
Short-term bank deposit		–	50,000
Cash and cash equivalents		18,762	31,871
		<u>318,336</u>	<u>379,769</u>
Total assets		321,060	384,588
EQUITY			
Equity attributable to owners of the Company			
Share capital		10,000	10,000
Reserves		262,348	315,819
Total equity		272,348	325,819

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
LIABILITIES			
Non-current liabilities			
Lease liabilities		–	370
Deferred tax liabilities		201	316
		<u>201</u>	<u>316</u>
		----- 201	----- 686
Current liabilities			
Trade payables	12	20,487	33,230
Accruals and other payables		17,228	21,821
Contract liabilities	11	1,641	2,496
Lease liabilities		370	536
Bank borrowings		8,785	–
		<u>48,511</u>	<u>58,083</u>
		----- 48,511	----- 58,083
Total liabilities		<u>48,712</u>	<u>58,769</u>
		----- 48,712	----- 58,769
Total equity and liabilities		<u>321,060</u>	<u>384,588</u>
		----- 321,060	----- 384,588

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

FOR THE YEAR ENDED 31 MARCH 2025

1. GENERAL INFORMATION

GC Construction Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 28 April 2020 as an exempted company with limited liability under Companies Act (as revised) of the Cayman Islands. The address of the Company’s registered office is 71 Fort Street, PO Box 500, George Town, Grand Cayman KY1-1106, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are engaged in the provision of wet trades works to public or private residential and commercial properties in Hong Kong and construction works in Cambodia. The ultimate holding company of the Company is Evolve Billion Limited. The ultimate controlling shareholders of the Company are Mr. Chan Kiu Sum and Mr. Chan Wing Ping.

On 10 October 2022, the shares of the Company (the “**Shares**”) were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Listing**”) by way of share offer (the “**Share Offer**”).

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current year had no material impact on the Group’s financial positions and performance for the current year and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ³
Amendments to HKAS 21	Lack of Exchangeability ²
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

Except for HKFRS 18 which would have impact to the presentation and disclosure to the consolidated financial statements, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

4. REVENUE AND SEGMENT INFORMATION

The executive directors are identified as the chief operating decision makers of the Group (“CODM”) who review the Group’s internal reporting in order to assess performance and allocate resources.

The Group’s revenue is derived from provision of wet trades works in Hong Kong and construction work in Cambodia. There is one operating segment for the Group under HKFRS 8.

Revenue

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Wet trades work	508,479	585,170
Construction work	22,178	–
	<u>530,657</u>	<u>585,170</u>

Geographical information

During the year ended 31 March 2025, over 95% (2024: all) the Group’s revenue are from external customers located in Hong Kong and all (2024: all) non-current assets as at 31 March 2025 are located in Hong Kong.

All of the Group’s revenue is recognised over time.

5. OTHER INCOME AND GAIN

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Youth Employment and Training Programme (<i>Note</i>)	21	102
Gain on disposal of plant and equipment	38	–
Other	24	–
	<u>83</u>	<u>102</u>

Note: Amount represents wage subsidy granted under Youth Employment and Training Programme (“YETP”). Funds are granted to the Group for employing trainees under the YETP. The Group is entitled to HK\$1,500 salary allowance per month for each trainee employed (2024: same).

6. (LOSS)/PROFIT BEFORE INCOME TAX EXPENSE

The Group's (loss)/profit before income tax expense is arrived before charging:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Employee benefit expenses (including directors' remuneration)		
– Directors' fees	600	570
– Salaries, wages, bonuses and other welfare and allowances	41,793	34,292
– Pension costs – defined contribution plan	934	1,241
	<u>43,327</u>	<u>36,103</u>
Auditor's remuneration – audit services	980	1,700
Depreciation of plant and equipment	1,688	1,750
Depreciation of right-of-use assets	496	493
	<u>43,327</u>	<u>36,103</u>

Employee benefit expenses (including directors' remuneration) included in cost of services were approximately HK\$32,345,000 (2024: approximately HK\$25,490,000) for the year ended 31 March 2025.

7. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax		
– Hong Kong	–	3,693
– Cambodia	405	–
(Over) under provision in prior year		
– Hong Kong	(61)	2
Deferred tax		
– Credit for the year	(115)	(4)
	<u>229</u>	<u>3,691</u>

8. (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2025	2024
(Loss)/profit attributable to owners of the Company (<i>HK\$'000</i>)	<u>(53,471)</u>	<u>19,069</u>
Weighted average number of ordinary shares in issue (<i>'000</i>)	<u>1,000,000</u>	<u>1,000,000</u>
Basic (loss)/earnings per share (<i>in HK cents</i>)	<u>(5.3)</u>	<u>1.9</u>

For both reporting periods, diluted (loss)/earnings per share were the same as the basic earnings per share as there was no dilutive potential ordinary shares outstanding.

9. DIVIDEND

No dividend has been paid or declared by the Company for the year ended 31 March 2025 (2024: Nil).

10. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	89,368	76,919
Less: allowances for credit losses	<u>(5,609)</u>	<u>(881)</u>
Trade receivables, net	<u><u>83,759</u></u>	<u><u>76,038</u></u>

The ageing analysis of the trade receivables based on invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 30 days	49,719	40,799
31–60 days	15,915	20,304
Over 60 days	<u>23,734</u>	<u>15,816</u>
	<u><u>89,368</u></u>	<u><u>76,919</u></u>

The credit terms provided to our customers range from 14 days to 60 days. The Group's trade receivables are denominated in HK\$ (2024: same).

The carrying amounts of trade receivables approximate their fair values.

11. CONTRACT ASSETS AND CONTRACT LIABILITIES

Included in contract assets/(liabilities) are the following:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Contract assets		
Unbilled revenue	146,554	125,121
Retention receivables	<u>91,252</u>	<u>89,950</u>
Total contract assets	237,806	215,071
Less: allowances for credit losses	<u>(29,408)</u>	<u>(563)</u>
Contract assets, net	<u><u>208,398</u></u>	<u><u>214,508</u></u>
Contract liabilities	<u><u>(1,641)</u></u>	<u><u>(2,496)</u></u>

12. TRADE PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	20,487	33,230

The trade payables are denominated in HK\$ and the carrying amounts approximate their fair values (2024: same).

The ageing analysis of the trade payables based on invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 30 days	20,487	33,230

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The shares of the Company (the “**Shares**”) were successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 10 October 2022 (the “**Listing Date**”) by way of share offer (the “**Share Offer**”) (the “**Listing**”). The Group is a wet trades contractor in Hong Kong and a construction subcontractor in Cambodia. The wet trades works performed by the Group mainly included plastering, tile laying, brick laying, floor screeding and marble works.

As Hong Kong’s property market continued to face weak demand and declining sentiment for the year ended 31 March 2025, the Group, as a wet trades contractor, encountered growing operational and financial pressures. First, to remain competitive and sustain project pipelines, the Group was compelled to tender contracts at low gross profit margins. Developers and main contractors, seeking to control costs amid market uncertainty, aggressively pushed down prices. Consequently, the Group accepted contracts with minimal profitability merely to secure work and keep operations running, severely impacting overall earnings and weakening performance. Second, due to cash flow constraints caused by slow property sales, many developers delayed payments to main contractors, who in turn tightened payment schedules for subcontractors. This led to prolonged payment cycles for the Group. Third, as developers struggled to sell completed units, numerous construction projects were delayed. These delays resulted in higher overhead and labor costs for subcontractors, contributing to cost overruns and operational inefficiencies for the Group.

Revenue decreased from approximately HK\$585.2 million for the year ended 31 March 2024 to approximately HK\$530.7 million for the year ended 31 March 2025, a decrease of HK\$54.5 million or 9.3%. This drop was driven by a reduced number of construction projects, as many developers postponed or scaled back new developments amid the property market slowdown, limiting opportunities for subcontractors. In response, the Group intensified cost control measures and pursued new business opportunities outside Hong Kong. Notably, it secured a construction project in Cambodia during the year ended 31 March 2025, applying its expertise and standards while collaborating with Cambodian developers and contractors.

Given the deteriorating economic outlook and worsening credit profiles of customers, the Group recognized a significant expected credit loss provision, reflecting heightened bad debt risks from developers and main contractors potentially unable to settle outstanding balances. This provision further strained the Group’s profitability, compounding the effects of slim margins and payment delays.

As at 31 March 2025, the Group had 32 projects (2024: 61 projects) on hand with backlog value of approximately HK\$343.3 million (2024: approximately HK\$564.8 million).

PROSPECTS

Over the past year, Hong Kong's sluggish real estate market has reduced demand for new residential and commercial developments, increasing risks for construction projects, particularly for subcontractors like wet trade works companies, which often operate on tight margins and rely on timely payments. To navigate this uncertainty, the Group is strategically shifting away from high-risk projects, focusing instead on those with more stable payment terms. It is prioritizing partnerships with trusted developers and main contractors with strong payment track records while avoiding large-scale developments prone to delays or cancellations due to financing issues.

FINANCIAL REVIEW

Revenue

The revenue decreased from approximately HK\$585.2 million for the year ended 31 March 2024 to approximately HK\$530.7 million for the year ended 31 March 2025, representing a decrease of approximately HK\$54.5 million or 9.3%. The decrease in revenue was mainly driven by the decrease in the number of projects awarded during the year ended 31 March 2025.

Cost of Services

The cost of services mainly comprised subcontracting fees, cost of materials and toolings and direct labour costs.

The cost of services decreased from approximately HK\$543.3 million for the year ended 31 March 2024 to approximately HK\$528.5 million for the year ended 31 March 2025, representing a decrease of approximately HK\$14.8 million or 2.7%. The decrease in cost of services was caused by the decrease in the number of projects awarded during the year ended 31 March 2025.

Gross Profit and Gross Profit Margin

The gross profit decreased from approximately HK\$41.8 million for the year ended 31 March 2024 to approximately HK\$2.1 million for the year ended 31 March 2025, representing a decrease of approximately HK\$39.7 million. The decrease in gross profit was primarily attributable to the volatility of the real estate market. The instability in property prices has adversely affected (i) the deteriorated gross profit margin of the new awarded wet trade works; (ii) the delay of work progress and unexpected changes in request of the work by the customers incurred additional construction cost; and (iii) the tight budget affected the certified amount of work done from the customers.

The gross profit margin was approximately 0.4% and 7.2% for the years ended 31 March 2025 and 2024, respectively.

Other Income and Gain

During the year ended 31 March 2025, other income and gain represented wage subsidy granted under Youth Employment and Training Programme, gain on disposal of plant and equipment and sundry income.

During the year ended 31 March 2024, other income represented wage subsidy granted under Youth Employment and Training Programme.

Administrative Expenses

The administrative expenses mainly comprised staff costs, entertainment expenses, depreciation, motor vehicles expenses, insurance and legal and professional expenses.

The administrative expenses increased from approximately HK\$20.7 million for the year ended 31 March 2024 to approximately HK\$22.5 million for the year ended 31 March 2025, representing an increase of approximately HK\$1.8 million or 8.6%. Such increase was mainly due to the increase in staff cost and entertainment expenses.

Impairment Losses on Trade Receivables and Contract Assets

The Group recorded impairment losses on trade receivables and contract assets of approximately HK\$33.6 million for the year ended 31 March 2025 and approximately HK\$0.6 million for the year ended 31 March 2024. Such increase was caused by the higher default risks. The customers were facing financial stress, leading to the increasing risk of the delayed or non-payments.

Finance Income, net

The net finance income decreased from approximately HK\$2.2 million for the year ended 31 March 2024 to approximately HK\$0.6 million for the year ended 31 March 2025. Such decrease was mainly due to the decrease in interest income from short-term bank deposits.

Income Tax Expense

The income tax expense decreased from approximately HK\$3.7 million for the year ended 31 March 2024 to approximately HK\$0.2 million for the year ended 31 March 2025 as there is a decrease in assessable profit for the year ended 31 March 2025.

(Loss)/Profit and Total Comprehensive (Expense)/Income for the Year

The Group recorded the profit and total comprehensive income of approximately HK\$19.1 million for the year ended 31 March 2024, and it turned to the loss and total comprehensive expense of approximately HK\$53.5 million for the year ended 31 March 2025. Such change was mainly driven by the decrease in gross profit and increase in impairment losses on trade receivables and contract assets as mentioned above.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group needs to maintain a solid liquidity for working capital to support the Group's business operations. The principal sources of liquidity are equity capital, cash generated from operations and bank borrowings. As at 31 March 2025, the Group maintained a healthy liquidity position with net current assets balance of approximately HK\$269.8 million (2024: approximately HK\$321.7 million), comprising cash and cash equivalent of approximately HK\$18.8 million (2024: approximately HK\$31.9 million) and short-term bank deposit of nil (2024: HK\$50 million), respectively. The cash and cash equivalents were mainly denominated in Hong Kong dollars.

The Shares were listed on the Main Board of the Stock Exchange on 10 October 2022. There has been no change in the capital structure of the Company since then. As at 31 March 2025, the capital structure of the Company comprised mainly issued share capital, bank borrowings and reserves.

Bank Borrowings

The bank borrowings was approximately HK\$8.8 million as at 31 March 2025 and nil as at 31 March 2024. Such bank borrowings were dominated in Hong Kong dollars and bear interest at floating rates.

Gearing Ratio

Gearing ratio was calculated as total borrowings (i.e. bank borrowings) divided by the total equity as at the respective reporting dates. The gearing ratio was approximately 3.2% as at 31 March 2025. The gearing ratio was nil as at 31 March 2024 as there was no outstanding bank borrowings as at 31 March 2024.

Net Debt to Equity Ratio

Net debt to equity ratio is calculated as net debts (i.e. bank borrowings, net of cash and cash equivalents) divided by total equity as at the respective reporting dates.

The net debt to equity ratio was not applicable as at 31 March 2025 and 2024 as the Group had net cash position as at both dates.

Treasury Policy

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements all the time.

Capital Expenditures

For the year ended 31 March 2025, the Group incurred capital expenditures of approximately HK\$0.3 million (2024: approximately HK\$3.4 million).

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 March 2025 and 2024.

OFF-BALANCE SHEET ARRANGEMENTS AND COMMITMENTS

The Directors confirm that as at the date of this announcement, the Group did not have any off-balance sheet arrangements or commitments.

PLEDGE OF ASSETS

As at 31 March 2025, the Group did not have any pledge of assets.

SIGNIFICANT INVESTMENTS, ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

For the year ended 31 March 2025, the Group did not have any significant investments, acquisitions or disposals of subsidiaries, associates and joint ventures.

FOREIGN EXCHANGE EXPOSURE

The Group has a minimal exposure to foreign currency risk as most of the business transactions and assets and liabilities of the Group are principally denominated in Hong Kong Dollar. As such, the Directors consider the Group's risk in foreign exchange is insignificant and no foreign exchange hedging was conducted by the Group during the year ended 31 March 2025.

FINANCIAL INSTRUMENTS

As at 31 March 2025, the major financial instruments include trade receivables, other receivables and deposits, amount due from immediate holding company, cash and cash equivalents, trade payables, other payables, lease liabilities and bank borrowings. The management manages such exposure to ensure appropriate measures are implemented in a timely and effective manner.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2025, the Group had 55 employees (2024: 89 employees) who were directly employed by the Group and based in Hong Kong. The Group offers remuneration package to the employees which includes salary and bonuses. Generally, the Group considers employees' salaries based on each of their qualifications, position and seniority. The Group has an annual review system to appraise the performance of the employees, which constitutes the grounds of the decision as to the salary raises, bonuses and promotions. The remuneration of the Directors is decided by the Board upon the recommendation from the remuneration committee of the Company having regard to the Group's operating results, individual performance and comparable market statistics.

EVENTS AFTER THE REPORTING PERIOD

There have been no material events from the end of the reporting period up to the date of this announcement.

USE OF PROCEEDS

The Shares were successfully listed on the Main Board of the Stock Exchange on 10 October 2022.

The amount of gross proceeds from the Share Offer is HK\$125 million and the amount of net proceeds from the Share Offer is approximately HK\$91.8 million after deducting underwriting commissions and the expenses relating to the Share Offer (the “**Net Proceeds**”).

The Net Proceeds will be used in the manner consistent with that as disclosed in the section headed “Future Plans and Use of Proceeds” of the Company’s prospectus dated 23 September 2022 (the “**Prospectus**”), details of which are as outlined below:

Purposes	Intended use of Net Proceeds <i>HK\$ million</i>	Utilised amount since the Listing Date and up to 31 March 2025 <i>HK\$ million</i>	Unutilised amount of Net Proceeds as at 31 March 2025 <i>HK\$ million</i>	Expected timeline for the use of Net Proceeds
Financing the up-front costs of the Group’s projects	67.0	67.0	–	N/A
Expanding the Group’s manpower and leasing an additional office	9.9	9.9	–	N/A
Purchasing machinery and motor vehicles	2.7	2.7	–	N/A
Procuring an enterprise resources planning (“ ERP ”) system <i>(Note)</i>	1.9	–	1.9	March 2026
Purchasing planks and toe-boards to further strengthen the Group’s occupational safety	1.4	1.4	–	N/A
The Group’s general working capital	8.9	8.9	–	N/A
Total	91.8	89.9	1.9	

Note: The use of procuring an enterprise resources planning system was further delayed as the Company needed more time to conduct search on ERP system and negotiate with the service providers of ERP system.

As at the date of this results announcement, there was no further change for the intended use of Net Proceeds as disclosed in the Prospectus.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the section headed “Future Plans and Use of Proceeds” of the Prospectus, as at the date of this announcement, the Group did not have other plans for material investments and capital assets.

DIVIDEND

The Board has resolved not to recommend the declaration of dividend for the year ended 31 March 2025 (2024: nil).

CORPORATE GOVERNANCE CODE

The Company is committed to ensuring high standards of corporate governance and business practices. The Company’s corporate governance practices are based on 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 year ended 31 March 2025, save as disclosed below, the Company has complied with the applicable code provisions of the CG Code and, where applicable, the recommended best practices of the CG Code.

According to the code provision C.2.1 of part 2 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The Company has appointed Mr. Chan Kiu Sum as both the chairman and the chief executive officer of the Company. Considering that Mr. Chan Kiu Sum has been operating and managing the Group since 2005, the Board believes that vesting the roles of the chairman and chief executive officer in Mr. Chan Kiu Sum would enable the Group to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. The Board believes that the balance of power and authority is sufficiently maintained by the operation of the senior management and the Board, which comprises experienced and high-calibre individuals. The Board currently comprises three executive Directors (including Mr. Chan Kiu Sum) and four independent non-executive Directors and therefore has a fairly strong independence element in its composition.

The Board will nevertheless review the structure and composition of the Board from time to time in light of prevailing circumstances, in order to maintain a high standard of corporate governance practices of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as the required standard for securities transactions by Directors. All Directors, after specific enquiries by the Company, confirmed that they have complied with the required standard set out in the Model Code during the year ended 31 March 2025.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

No purchase, sale or redemption of the Company’s listed securities was made by the Company or any of its subsidiaries during the year ended 31 March 2025.

SHARE OPTION SCHEME

Written resolutions were passed on 13 September 2022 to adopt the share option scheme (the “**Scheme**”). The principal terms of the Scheme are summarised in the paragraph headed “D. Share Option Scheme” in Appendix IV of the Prospectus.

No share options have been granted, exercised, cancelled, forfeited or lapsed under the Scheme during the year ended 31 March 2025. The Scheme will remain in force for a period of 10 years after the date of adoption.

MANAGEMENT CONTRACT

No contract, other than a contract of service with any Director or any person in the full-time employment of the Company, concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 March 2025.

COMPETING INTERESTS

Mr. Chan Kiu Sum, Mr. Chan Wing Ping and Evolve Billion Limited (collectively, the “**Controlling Shareholders**”) had entered into the deed of non-competition in favour of the Company on 18 September 2022 (the “**Non-competition Undertaking**”). Each of the Controlling Shareholders has confirmed that he/it had complied with the Non-Competition Undertaking during the year ended 31 March 2025. The independent non-executive Directors have reviewed that state of compliance of each of the Controlling Shareholders with the Non-Competition Undertaking and as far as the independent non-executive Directors can ascertain, there has been no breach of the undertakings given in the Non-competition Undertaking by the Controlling Shareholders during the year ended 31 March 2025.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company’s total issued share capital was held by the public during the year ended 31 March 2025.

AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference in compliance with Rule 3.22 of the Listing Rules and the code provisions D.3.3 and D.3.7 of part 2 of the CG Code. The primary duties of the Audit Committee are, among others, to make recommendations to Board on the appointment, reappointment and removal of external auditor, review the financial statements and material advice in respect of financial reporting, oversee the financial reporting process, internal control, risk management systems and audit process of the Company and perform other duties and responsibilities assigned by the Board.

The Audit Committee comprises Mr. Yu Chi Wing, Dr. Huang Hong, Dr. Lo Ki Chiu and Dr. Luk Che Chung, *JP*, all being independent non-executive Directors. Mr. Yu Chi Wing is the chairperson of the Audit Committee.

The Audit Committee had reviewed the Group's annual results for the year ended 31 March 2025 and confirmed that they were prepared in accordance with applicable accounting standards and the Listing Rules and that adequate disclosures have been made.

SCOPE OF WORK OF OOP CPA & CO.

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in the preliminary announcement for the year ended 31 March 2025 have been agreed by the Group's auditor, OOP CPA & Co., to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by OOP CPA & Co. in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by OOP CPA & Co. on the preliminary announcement.

ANNUAL GENERAL MEETING

The forthcoming Annual General Meeting (“**2025 AGM**”) of the Company will be held on 26 August 2025 and the notice and circular of the 2025 AGM will be published and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

To ascertain the identity of the Shareholders who will be entitled to attend and vote at the 2025 AGM, the register of members of the Company will be closed from Thursday, 21 August 2025 to Tuesday, 26 August 2025, both dates inclusive, the period during which no transfer of Shares will be effected. In order to be eligible to attend and vote at the 2025 AGM, all completed share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 20 August 2025.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement and the annual report are published on the Company's website at www.chankiu.hk and the Stock Exchange's website at www.hkexnews.hk. The annual report of the Company for the year ended 31 March 2025 will be published on the websites of both the Stock Exchange and the Company in due course in the manner as required by the Listing Rules.

APPRECIATION

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as its shareholders, business associates and other professional parties for their support throughout the period.

On behalf of the Board
GC Construction Holdings Limited
Chan Kiu Sum
Chairman and Executive Director

Hong Kong, 25 June 2025

As at the date of this announcement, the Board comprises Mr. Chan Kiu Sum (Chairman and Chief Executive Officer), Mr. Chan Wing Ping and Ms. Chan Chui Ying as executive Directors and Dr. Huang Hong, Mr. Yu Chi Wing, Dr. Lo Ki Chiu and Dr. Luk Che Chung, JP as independent non-executive Directors.