

【For immediate release】



高力集團有限公司
GOLIK HOLDINGS LIMITED

(Stock Code: 1118)

Golik Holdings Announces Interim Results 2018
Revenue Increased to HK\$1,627,466,000
Declaration of Interim Dividend of HK1.0 Cent per Share

(Hong Kong, 29 August 2018) — **Golik Holdings Limited** (Stock code: 1118) and its subsidiaries (“Golik Group”/“the Group”) is pleased to announce its interim results for the six months ended 30 June 2018. For the period, the Group’s total revenue was HK\$1,627,466,000 (2017: HK\$1,199,166,000), representing an increase of 36% against the same period last year. After deduction of profit attributable to non-controlling interests, loss attributable to shareholders of the Company amounted to HK\$39,824,000 (2017: Profit of HK\$12,850,000). Loss per share was HK7.09 cents (2017: Earnings per share of HK2.29 cents).

The Board has declared an interim dividend of HK1.0 cent per share (2017: HK1.5 cents per share).

For the period, the increase of revenue was mainly attributable to the price hikes of steel during the period, which spurred the rise in both unit selling price and sales quantity of steel products. The loss was mainly a result of the unwonted pressure and challenges encountered by the building construction materials business in Hong Kong during the period, in turn giving rise to the disappointing results. Moreover, the high-end steel wire rope project in Tianjin and the automated cut-and-bend rebars processing project in Hong Kong have yet to generate benefits and their various preliminary development costs ratcheted up pressure on results performance.

Mr. Pang Tak Chung, Chairman of the Group, said, “Our metal products business remained stable in the period, with both production and sales volume of steel wire rope products hitting an all-time high as compared with the corresponding periods of previous years. This was further compounded by the high-end lifting wire rope project which was still at the development stage and its development expenses weighed on profitability of the metal products operation to some extent during the period. Our elevator wire rope products have maintained a leading position in the industry. The relentless efforts put into developing high-end products have yielded some success, with certain product technologies achieving breakthroughs and already reaching globally advanced levels. Elevator wire rope products are expected to post another record-breaking sales figure for the year given their promising outlook.”

Metal products and building construction materials represent the two major core businesses during the period under review. Metal products line of business comprises mainly of steel coil processing and manufacturing and sales of steel wires and steel wire rope products in the Mainland. Revenue for the period was HK\$548,748,000 (2017: HK\$440,422,000), representing an increase of 25% over the same period last year. Profit before interest and taxation was HK\$19,429,000 (2017: HK\$39,196,000), representing a decrease of 50% over the same period last year.

Building construction materials line of business comprises mainly of ready mixed concrete, precast concrete products and processing and distribution of construction steel products in Hong Kong. Revenue for the period was HK\$1,065,300,000 (2017: HK\$741,507,000), representing an increase of 44% over the same period last year. The increase of revenue was mainly attributable to the uptick in both prices and business volume of construction steel products during the period. Loss before interest and taxation amounted to HK\$33,132,000 (2017: Profit before interest and taxation of HK\$10,010,000).

Many challenges facing the Group in the first half of the year will still linger in the second half, in particular the building construction materials business which will remain under immense pressure. Nonetheless, we expect to see things turn around next year following the passing of motions to streamline meeting procedures by the Finance Committee of the Legislative Council in March this year, a move which has expedited funding approval for public works and will conceivably revive the construction sector of Hong Kong next year, in turn benefiting our building construction materials business. The Group therefore stays bullish on the prospects of its building construction materials operation.

~end~

About Golik Holdings Limited (Stock Code: 1118)

Golik Holdings Limited is principally engaged in manufacturing and sales of steel, metal products and building construction materials. The Group's core businesses include steel coil processing, steel wires and steel wire rope products and ready mixed concrete, distribution and processing of construction steel products and other building construction materials in Hong Kong. Headquartered in Hong Kong, Golik Group also operates in Mainland China with factories located in Tianjin, Heshan, Dongguan and Shenzhen.

Media Contacts:

Angel Yeung | Jovian Communications Ltd | Tel : +852 2581 0168 | Email : golik@joviancomm.com