

【For immediate release】

GOLIK
GOLIK HOLDINGS LIMITED
高力集團有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 1118)

Golik Holdings Announces Interim Results 2023
Profit Attributable to Shareholders Amounted to approximately HK\$63,078,000
Declaration of Interim Dividend of HK2.5 cents per Share

(Hong Kong, 25 August 2023) — **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 2023. For the period, the Group’s total revenue was approximately HK\$1,961,107,000 (2022: approximately HK\$2,119,928,000), representing a decrease of 7% over the same period last year. The decrease in revenue was mainly attributable to lower prices during the period than the same period last year for most of the commodities, including steel, while the Group’s business volume was basically maintained at the same level as the same period last year. After deduction of profit attributable to non-controlling interests, profit attributable to shareholders of the Company amounted to approximately HK\$63,078,000 (2022: approximately HK\$38,476,000), representing an increase of 64% over the same period last year. Basic earnings per share was HK10.98 cents (2022: HK6.70 cents).

The Board of Directors has declared an interim dividend of HK2.5 cents per share.

Mr. Pang Tak Chung MH, Chairman of the Group, said, “Most of the Group’s businesses began to recover from the second quarter onwards. Management team of the Group was quick to capitalize on market opportunities during the early stage of the recovery, not only safeguarding existing market shares but also expanding into various new businesses using our existing metal products. As a result, the Group achieved significant growth in performance during the period as compared to the same period last year.”

Metal products line of business comprises mainly of steel wires and steel wire rope products operated in Tianjin, Heshan and Jiangmen in Mainland China. Revenue for the period was approximately HK\$551,646,000 (2022: approximately HK\$619,185,000), representing a decrease of 11% over the same period of last year. Profit before interest and taxation was approximately HK\$42,301,000 (2022: approximately HK\$29,881,000), representing an increase of 42% over the same period last year.

The improvement in profitability of metal products was mainly due to steady growth in the high-performance lifting steel wire rope and export businesses, as well as higher delivery of elevator wire ropes in the second quarter as resulted from customers starting to replenish their reduced inventories due to the pandemic from the beginning of the second quarter.

The high-performance lifting rope business continues to experience growth, particularly in terms of exports. Currently, the Company has established business partnerships with several internationally renowned engineering machinery equipment manufacturers.

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 approximately HK\$1,411,114,000 (2022: approximately HK\$1,502,112,000), representing a decrease of 6% over the same period last year. Profit before interest and taxation amounted to approximately HK\$77,947,000 (2022: approximately HK\$51,170,000), representing an increase of 52% over the same period last year.

Since the second quarter, the construction industry in Hong Kong has been rapidly recovering as anti-pandemic restrictions have been released in both Mainland China and Hong Kong. The Group's building construction materials business has also shown steady improvement during the period. Despite facing intense market competition and gross margin pressure, the overall performance is better than in the same period last year.

Through a decade of unremitting efforts, the Group's off-site cut-and-bend steel processing business has shown signs of progress. Offsite cut-and-bend steel processing not only reduces the workload for construction workers but also greatly improves the working environment at construction sites, reducing the risk of accidents and injuries. Currently, it has gained recognition and strong support from the Works Departments of the government. There is a possibility that certain percentage of steel materials will be required to receive off-site processing services for the government's public works, regardless of their scales. The Group's long-standing efforts in this regard also demonstrate its contribution as one of the major construction material suppliers in Hong Kong towards environmental protection and safety in the construction industry.

Mr. Pang Tak Chung MH concluded, "The outlook for the Group's building construction materials business in Hong Kong is relatively optimistic. The Chief Executive has outlined a development blueprint for Hong Kong's future in the 2022 Policy Address, which includes the "Northern Metropolis", "Kau Yi Chau Artificial Islands" as well as several major road and railway infrastructure projects. Additionally, over the next decade, the construction of more than 300,000 public housing units is planned. With these developments, the construction industry in Hong Kong is expected to have a promising future, and the Group's building construction materials business is likely to benefit from these opportunities."

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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 and Huizhou.