

【For immediate release】



高力集團有限公司
GOLIK HOLDINGS LIMITED

(Stock Code: 1118)

**Golik Holdings Announces Interim Results 2020
Profit Attributable to Shareholders Amounted to HK\$22,338,000**

(Hong Kong, 28 August 2020) — **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 2020. For the period, the Group’s total revenue was HK\$1,258,920,000 (2019: HK\$1,338,948,000), representing a decrease of 6% against the same period last year. The decrease in revenue was mainly due to the outbreak of novel coronavirus (COVID-19) in the beginning of the year and it has affected most of our businesses in Mainland China and Hong Kong with various degrees of downtime. After deducting the profit attributable to non-controlling interests, profit attributable to shareholders of the Company amounted to HK\$22,338,000 (2019: Loss of HK\$13,697,000), representing a turnaround from loss to profit over the same period last year. Basic earnings per share was HK3.89 cents (2019: Loss HK2.44 cents).

The Board has resolved not to declare an interim dividend.

Mr. Pang Tak Chung MH, Chairman of the Group, said, “Performance of the steel wire rope business achieved highest sales and performance in record during the period. The Group is encouraged by the excellent performance of the steel wire rope business. The Group’s metal products business in Mainland has returned to normal since the second quarter. It is expected that annual performance can be maintained at a good level.”

Affected by the pandemic, the operation of our Group’s Mainland’s businesses came to a standstill after the Chinese Lunar New Year holiday, resulting in poor performance of the Group’s metal products business in the first quarter. Benefited from the effective measures taken in Mainland China to keep the pandemic under control, and our management’s outstanding performance in the virus prevention and virus control, resumption of work and production, our Group’s businesses became the first group to return to operation. The Group has not only minimised the impacts of the pandemic on production and order delivery, but also wins the customer confidence, which is conducive to gaining market share in the future.

The construction industry in Hong Kong is still unable to get out of the predicament. The insufficient public works projects has further intensify the competition within the industry. Coupled with the outbreak of the novel coronavirus (COVID-19) pandemic, the government’s quarantine measures had caused disruptions of the raw material supply chain and delays in construction progress. The performance of building construction materials business is still unsatisfactory, but it has improved compared to the previous year. It is expected that through the unremitting efforts of our team, the annual performance can be continuously improved.

Metal products and building construction materials represented 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 Mainland China. Revenue for the period was HK\$528,818,000 (2019: HK\$558,878,000), representing a decrease of 5% over the same period of last year. Profit before interest and taxation was HK\$53,748,000 (2019: HK\$36,698,000), representing an increase of 46% over the same period last year. The growth of the metal products business was mainly due to overall good performance of the steel wire rope business.

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\$734,827,000 (2019: HK\$770,316,000), representing a decrease of 5% over the same period last year. Profit before interest and taxation amounted to HK\$14,108,000 (2019: Loss before interest and taxation of HK\$9,831,000), representing a turnaround from loss to profit over the same period last year.

Mr. Pang Tak Chung MH concluded, “The year 2020 is expected to be full of challenges and uncertainties. The global economic impacts of the novel coronavirus (COVID-19) pandemic, coupled with a series of political and social events in Hong Kong, will have significant negative impacts on the Group's businesses, and these negative impacts will not disappear within a short period of time. The Group will adopt a prudent approach to further adjust and optimise its current businesses and strengthen its ability to resist risks.”

“The Group’s two major core businesses currently have solid foundations and sufficient market competence. The Group is confident that, with its own capabilities and market competitiveness, it will be able to overcome current challenges. The Group is cautiously optimistic that the Group's annual performance will continue to improve.”

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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, Dongguan and Shenzhen.