

【For immediate release】



高力集團有限公司
GOLIK HOLDINGS LIMITED

(Stock Code: 1118)

**Golik Holdings Announces Unaudited Annual Results 2019
Proposed Final Dividend of HK2 Cents per Share**

(Hong Kong, 31 March 2020) — **Golik Holdings Limited** (Stock code: 1118) and its subsidiaries (“Golik Group”/“the Group”) announces its unaudited annual results for the year ended 31 December 2019. For the year, the Group’s revenue was HK\$2,803,735,000 (2018: HK\$3,087,200,000), representing an decrease of approximately 9% compared to last year. The slight decrease of revenue was mainly attributable to the impact from the decrease of steel prices. Loss attributable to shareholders amounted to HK\$1,467,000 (2018: Loss of HK\$84,782,000), which is a remarkable improvement compared to last year. Basic loss per share was HK0.26 cents (2018: Basic loss per share of HK15.09 cents).

The Board of Directors has recommended a final dividend of HK2 cents (2018: HK2 cents) per share.

Mr. Pang Tak Chung, Chairman of the Group, said, “During the year, our result has recorded a significant improvement. Our metal products business remained stable and our building construction material business obtained obvious improvements when compared to last year.”

The relatively stable prices in raw materials and the good performance of our steel wire rope business in Tianjin, Mainland China have contributed to the greatly-improved efficiency. Benefited from the sound progress in the high-performance lifting wire rope market development and the increased capacity for elevator wire rope in the beginning of the year, both production volumes and performance for our steel wire rope products hit another new height.

The Hong Kong construction industry is still in a difficult situation and our steel processing operation had a contract in relation to processing construction steel products that entered into during the year has been delayed for almost 1 year due to the settlement at the construction site, which has caused a certain extent of negative impact on the performance. Nevertheless, in the year, the Group enhanced various cost managements of the building construction material business, with a more prudence and focused on the soundness and sustainability of the building construction material business.

Excluding the provision made for the disposals of certain non-core businesses due to business restructure and the non-operational and cash flow expenses under the new accounting standard (HKFRS 16 Leases), overall result for businesses of the Group have basically returned to profit.

Metal products line of business comprises mainly of steel coil processing, steel wires, and steel wire rope products. Revenue for the year was HK\$1,233,605,000 (2018: HK\$1,186,369,000), an increase of approximately 4% year-over-year. Profit before interest and taxation was HK\$96,708,000 (2018: HK\$48,321,000), a drastic increase of approximately 100% year-over-year.

Building construction materials line of business comprises mainly of ready mixed concrete, precast concrete products and distribution and processing of construction steel products. Revenue for the year was HK\$1,561,518,000 (2018: HK\$1,872,798,000), an decrease of approximately 17% year-over-year. Profit before interest and taxation was HK\$2,106,000 (2018: Loss of HK\$75,470,000), a significant improvement as compared to last year.

Mr. Pang Tak Chung concluded, “In the beginning of 2020, there was an outbreak of the novel coronavirus (COVID-19) pandemic, coupled with the social unrest in Hong Kong since June in last year, it is no doubt that the short-term business of the Group will experience huge shocks and challenges and slow down the recovery expectations for the Group’s results, however, the steady upward trend for the development of the Group’s business for the coming years will remain unchanged. ”

“The Group will further invest to develop the domestic steel wire rope business, which has a relatively better situation. With the commencements of a number of large-scale public works projects, such as expansion of the airport, developments in Kai Tak and West Kowloon and Tseung Kwan O Tunnel, as well as the coming years will be a peak season for public housing constructions, the Group remained optimistic about the building construction material business. We are confidence and dedicated to undergo the current challenges and restore the Group’s performance to another growth cycle as soon as possible.”

~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.