GOLIK HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1118)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE, 2008

INTERIM RESULTS

The Board of Directors of Golik Holdings Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30th June, 2008 together with the comparative unaudited figures for the corresponding period in 2007 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 30th June,	
		2008	2007
		(unaudited)	(unaudited)
	Notes	***HK$'000***	*HK$'000*
Turnover	*3*	**1,804,172**	1,151,043
Cost of sales		**(1,628,512)**	(1,038,965)
Gross profit		**175,660**	112,078
Other income		**12,226**	14,036
Interest income		**976**	1,197
Other gains and losses	*4*	**(5,076)**	1,097
Selling and distribution costs		**(44,071)**	(32,773)
Administrative expenses		**(69,774)**	(59,318)
Finance costs	*5*	**(19,867)**	(15,483)
Share of results of jointly controlled entities		**15**	114
Share of results of associates		**1,968**	667
Profit before taxation		**52,057**	21,615
Income taxes	*6*	**(5,494)**	(1,791)
Profit for the period	*7*	**46,563**	19,824
Attributable to:			
Equity holders of the Company		**38,601**	17,561
Minority interests		**7,962**	2,263
		46,563	19,824
Dividend paid of 1.2 HK cents (2007: 2.2 HK cents) per share	*8*	**6,808**	12,460
Earnings per share	*9*		
Basic		**6.80 HK cents**	3.10 HK cents

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	As at 30th June, 2008 (unaudited) HK$'000	As at 31st December, 2007 (audited) HK$'000
Non-current Assets			
Goodwill		**4,063**	5,563
Investment properties		**17,310**	17,310
Property, plant and equipment		**245,208**	225,077
Prepaid lease payments		**33,769**	33,276
Interests in jointly controlled entities		**1,794**	1,779
Interests in associates		**10,825**	8,857
Long-term receivables		**1,113**	2,356
Rental and other deposits		**1,267**	1,368
Deposits paid for acquisition of property, plant and equipment		**6,655**	10,524
		322,004	306,110
Current Assets			
Inventories		**520,733**	325,489
Trade and other receivables	*10*	**603,071**	644,722
Amounts due from jointly controlled entities		**7,014**	7,009
Amount due from an associate		—	527
Prepaid lease payments		**859**	837
Income tax recoverable		**120**	2,258
Derivative financial instruments		**253**	—
Pledged bank deposits		**72,622**	6,846
Bank balances and cash		**164,726**	163,279
		1,369,398	1,150,967
Assets classified as held for sale		—	22,484
		1,369,398	1,173,451
Current Liabilities			
Trade and other payables	*11*	**264,595**	248,232
Amounts due to minority shareholders		**3,360**	3,779
Amount due to an associate		**803**	—
Income tax payable		**2,649**	1,496
Derivative financial instruments		—	13
Bank borrowings		**762,974**	640,417
Obligations under finance leases		**2,235**	2,340
Bank overdrafts – unsecured		**7,121**	738
		1,043,737	897,015
Net Current Assets		**325,661**	276,436
		647,665	582,546
Capital and Reserves			
Share capital		**56,736**	56,736
Share premium and reserves		**468,781**	427,063
Equity attributable to equity holders of the Company		**525,517**	483,799
Minority interests		**89,361**	79,344
Total Equity		**614,878**	563,143
Non-current Liabilities			
Deferred tax liabilities		**11,209**	11,163
Bank borrowings		**20,296**	5,838
Obligations under finance leases		**1,282**	2,402
		32,787	19,403
		647,665	582,546

Notes:

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

The accounting policies adopted in the condensed consolidated financial statements are consistent with those followed in the preparation of the annual financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2007.

In the current interim period, the Group has applied, for the first time, the following new interpretations ("new Interpretations") issued by the HKICPA, which are effective for the Group's financial year beginning on 1st January, 2008.

HK(IFRIC) - Int 11	HKFRS 2: Group and Treasury Share Transactions
HK(IFRIC) - Int 12	Service Concession Arrangements
HK(IFRIC) - Int 14	HKAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of these new Interpretations had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[2]
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[1]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combinations[2]
HKFRS 8	Operating Segments[1]
HK(IFRIC) – Int 13	Customer Loyalty Programmes[3]
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate[1]
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation[4]

[1] Effective for annual periods beginning on or after 1st January, 2009
[2] Effective for annual periods beginning on or after 1st July, 2009
[3] Effective for annual periods beginning on or after 1st July, 2008
[4] Effective for annual periods beginning on or after 1st October, 2008

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July, 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The directors of the Company are in the process of assessing the potential impact and so far concluded that the application of the other new or revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

3. TURNOVER AND SEGMENT INFORMATION

The turnover and contributions to profit of the Group for the six months ended 30th June, 2008, analysed by business segments are as follows:

The Group's primary format for reporting segment information is business segment.

For the six months ended 30th June, 2008 (unaudited)

	Manufacturing of steel and metal products	Sales of steel and metal products	Manufacturing of construction materials	Sales of construction materials	Other operations	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
TURNOVER							
External sales	**691,602**	**61,127**	**158,021**	**798,206**	**95,216**	**—**	**1,804,172**
Inter-segment sales	**13,259**	**643**	**4,282**	**24,663**	**—**	**(42,847)**	**—**
Total turnover	**704,861**	**61,770**	**162,303**	**822,869**	**95,216**	**(42,847)**	**1,804,172**

Inter-segment sales are charged at cost or cost plus a percentage profit mark-up.

SEGMENT RESULT	**45,410**	**2,022**	**7,901**	**18,702**	**(1,143)**	**(763)**	**72,129**
Unallocated other income							**2,434**
Unallocated corporate expenses							**(9,232)**
Gain on disposal of assets classified as held for sale							**6,110**
Impairment loss on goodwill	**—**	**—**	**(200)**	**—**	**(1,300)**	**—**	**(1,500)**
Finance costs							**(19,867)**
Share of results of jointly controlled entities	**—**	**—**	**—**	**—**	**15**	**—**	**15**
Share of results of associates	**1,968**	**—**	**—**	**—**	**—**	**—**	**1,968**
Profit before taxation							**52,057**
Income taxes							**(5,494)**
Profit for the period							**46,563**

3. **TURNOVER AND SEGMENT INFORMATION - continued**

For the six months ended 30th June, 2007 (unaudited)

	Manufacturing of steel and metal products *HK$'000*	Sales of steel and metal products *HK$'000*	Manufacturing of construction materials *HK$'000*	Sales of construction materials *HK$'000*	Other operations *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
TURNOVER							
External sales	545,924	52,373	154,449	293,834	104,463	–	1,151,043
Inter-segment sales	5,085	14,421	213	31,724	–	(51,443)	–
Total turnover	551,009	66,794	154,662	325,558	104,463	(51,443)	1,151,043

Inter-segment sales are charged at cost or cost plus a percentage profit mark-up.

SEGMENT RESULT	21,047	3,031	11,907	6,905	446	194	43,530
Unallocated other income							2,274
Unallocated corporate expenses							(8,587)
Impairment loss on goodwill	–	–	(100)	–	(800)	–	(900)
Finance costs							(15,483)
Share of results of jointly controlled entities	–	–	–	–	114	–	114
Share of results of associates	667	–	–	–	–	–	667
Profit before taxation							21,615
Income taxes							(1,791)
Profit for the period							19,824

4. **OTHER GAINS AND LOSSES**

	Six months ended 30th June, **2008** **(unaudited)** ***HK$'000***	2007 (unaudited) *HK$'000*
Allowance (write back of) for bad and doubtful debts, net	**9,686**	(1,997)
Gain on disposal of assets classified as held for sale (Note)	**(6,110)**	–
Impairment loss on goodwill	**1,500**	900
	5,076	(1,097)

Note:

On 25th April, 2007, Golik Concrete Limited, a wholly owned subsidiary of the Company entered into an agreement with an independent third party for the disposal of the Group's leasehold land and building (the "Property") located in Hong Kong under the medium term lease. The net proceeds received from disposal of the Property was HK$28,594,000. The disposal was completed on 24th April, 2008, a gain on disposal of HK$6,110,000 has been recognised in condensed consolidated income statement for the current period.

5. FINANCE COSTS

	Six months ended 30th June,	
	2008	2007
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Interest on:		
Bank borrowings and bank overdrafts wholly repayable within five years	**19,757**	15,252
Finance leases	**110**	231
	19,867	15,483

6. INCOME TAXES

	Six months ended 30th June,	
	2008	2007
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Current tax:		
Hong Kong	**2,591**	1,078
Other jurisdictions	**2,903**	713
	5,494	1,791

On 26th June, 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which includes the reduction in corporate profit tax rate by 1% to 16.5% effective from the year of assessment 2008-2009. The effect of such decrease has been reflected in measuring the current tax for the six months ended 30th June, 2008. The estimated average annual tax rate used is 16.5% (2007: 17.5%) for the six months ended 30th June, 2008.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

On 16th March, 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC. On 6th December, 2007, the State Council of the PRC issued Implementation Regulation of the New Law. The New Law and the Implementation Regulation have changed the tax rate from 33% to 25% for the Group's PRC subsidiaries from 1st January, 2008. According to the Circular of the State Council on the Implementation of Transitional Preferential Policies for Enterprise Income Tax (Guofa [2007] No. 39), the tax exemption and deduction for the foreign investment enterprises is still applicable until the end of the five-year transitional period under the New Law.

7. PROFIT FOR THE PERIOD

	Six months ended 30th June,	
	2008	2007
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Profit for the period has been arrived at after charging (crediting):		
Amortisation of prepaid lease payments	**424**	596
Depreciation	**18,251**	17,702
Loss (gain) on disposal of property, plant and equipment	**65**	(72)
Change in fair value of derivative financial instruments	**(1,061)**	(3,437)

8. DIVIDEND PAID

On 20th June, 2008, a dividend of 1.2 HK cents per share, amounting to HK$6,808,000, was paid to shareholders as the final dividend for the year ended 31st December, 2007.

9. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit for the period attributable to the equity holders of the Company of HK$38,601,000 (2007: HK$17,561,000) and 567,362,500 (2007: 567,362,500) shares in issue during the period.

10. TRADE AND OTHER RECEIVABLES

Other than the cash sales, the Group allows credit periods ranging from 30 to 90 days to its customers.

The following is an aged analysis of trade receivables at the balance sheet date:

	As at 30th June, 2008 (unaudited) ***HK$'000***	As at 31st December, 2007 (audited) *HK$'000*
0 - 30 days	**234,939**	262,918
31 - 60 days	**181,308**	158,038
61 - 90 days	**65,993**	80,271
91 - 120 days	**22,109**	42,258
More than 120 days	**24,095**	32,362
	528,444	575,847

11. TRADE AND OTHER PAYABLES

The Group normally receives credit terms of 30 to 90 days from its suppliers.

The following is an aged analysis of trade payables and bill payables at the balance sheet date:

	As at 30th June, 2008 (unaudited) ***HK$'000***	As at 31st December, 2007 (audited) *HK$'000*
0 - 30 days	**80,002**	95,259
31 - 60 days	**39,714**	17,602
61 - 90 days	**30,380**	23,275
91 - 120 days	**18,238**	8,895
More than 120 days	**4,140**	22,737
	172,474	167,768

INTERIM DIVIDEND

The Board of Directors of the Company does not recommend the payment of an interim dividend for the six months ended 30th June, 2008.

BUSINESS REVIEW

In the first half year of 2008, the Group achieved a turnover of HK$1,804,172,000, an increase of 57% over the corresponding period of the previous year. The unaudited profit for the Group during the past six months was HK$46,563,000, which when compared to the same period last year increased significantly by 135%.

There were also distinct signs of improvements over the previous year for the Group during this term in which both turnover and profit reached a record high. Despite unprecedented pressures in the operating environment for the Group during this period, most of the business units posted satisfactory results through the perseverance and efforts of both the Management team and Staff in overcoming tough market conditions and seizing the right opportunities.

Steel and Metal Products

1. *Steel Coil Processing*

   The Group's 'Steel Coil Processing' business operations mainly supply cold-rolled steel coil to export manufacturers of stationary products, household electrical appliances, industrial metal products and so forth along the Pearl River Delta region.

   During this term, adverse circumstances such as escalation in overheads, the tightening of policies by the Central Government of the People's Republic of China (the "PRC") against manufacturing industries and also in monetary policies to curb inflation had resulted in difficulties for certain enterprises in raising corporate finance. In addition, the slowdown on demand for consumer goods and industrial products in Western countries had created unprecedented challenges ahead for manufacturing industries along the Pearl River Delta region.

   Fronted by these adversities in our business environment, our Management team dispensed a sense of urgency in raising awareness in staff on minimizing operating costs and in particular, the need for effective implementation of risk management. Hence, under the collective efforts of the Management team and Staff, the Group's 'Steel Coil Processing' business operations achieved a sound result during this period in which profit had also increased significantly compared to the corresponding period of the previous year.

2. *Wires Processing (Steel Wires, Wire Ropes and Pre-stressed Steel Strands)*

   The Group's 'Wire' products are mainly supplied for consumption in the domestic PRC markets. During this period, sales and profit sustained steady growth due to strong market demand for 'Wire Processing' products.

   Despite fierce competition within the 'Wire Processing' industry, there is still capacity for growth in the market. The Group's investment in a new galvanized steel wire production line located in Heshan, Guangdong Province has progressed smoothly and production is expected to commence in the fourth quarter of 2008.

Construction Materials Products

1. *Steel Re-bars Stockholding and Distribution*

   The Group's 'Steel Distribution' business operation mainly supplies deformed steel reinforcement bars for use in both Hong Kong and Macau's construction sectors. Last year, due to policy changes by the PRC's Central Government on export tax rebate of steel products, results were impacted and were poor compared to the previous years. The negative repercussions continued into the first quarter of 2008 but a return of normal profit levels came in the second quarter of 2008. Overall, the performance of the 'Steel Distribution' business during the first half year of 2008 was encouraging.

   The demand for construction steel materials has declined recently in lieu of falling global property prices. The implications are positive in dampening the volatility of steel prices and prices are expected to remain in decline in the second half year of 2008. The Management team is confident that the full-year profit for 2008 of the 'Steel Distribution' business will be completely restored.

2. *Ready Mixed Concrete Products*

The Group's 'Concrete' business operations in both Hong Kong and Guangzhou regions achieved successful results during the period especially the profit contribution from the Hong Kong operation which showed significant growth over the corresponding period of the previous year.

Over the past few years, the intense competition in the ready mixed concrete market had in effect led to a considerable amount of consolidation in the industry through elimination of weaker participants. The outcome now is a more stable business environment and performance in the second half year of 2008 is expected to be positive.

LIQUIDITY AND FINANCIAL RESOURCES

During the period under review, there was no significant change in the capital and loan structure of the Group. As at 30th June, 2008, the total bank balances and cash of the Group reached approximately HK$237,348,000. As at 30th June, 2008, current ratio (current assets to current liabilities) for the Group was 1.31:1.

As at 30th June, 2008, total borrowings for the Group were approximately HK$793,908,000.

The Group's monetary assets are principally denominated in Hong Kong dollars, Renminbi and United States dollars. As the exchange rate between Hong Kong dollars and the United States dollars is fixed, the Group believes its exposure to exchange risk is not material. For the fluctuation of exchange rate of Renminbi, the Management will continue to monitor foreign exchange exposure of Renminbi and will take prudence measures to minimize the currency risk.

CAPITAL STRUCTURE

During the period, there was no change to the share capital of the Company. As at 30th June, 2008, equity attributable to equity holders of the Company reached approximately HK$525,517,000.

As at 30th June, 2008, net gearing ratio (borrowings minus bank balances and cash to total equity) was 0.91:1.

EMPLOYMENT AND REMUNERATION POLICY

As at 30th June, 2008, the total number of staff of the Group was 1,143. The Group also provided Mandatory Provident Fund entitlement to Hong Kong's employees. Share options may also be granted as an incentive or reward to eligible employees in accordance with the share option scheme adopted on 27th May, 2004.

PROSPECT

Although the Group achieved encouraging results in the first half year of 2008, the current business environment remains challenging with adverse economic factors forecasted to endure over an extended period of time. With the belief that fortune favors those that can withstand the toughest of challenges, the Group is confident that through the collective hard work of all the Management team and Staff, the result for the full-year of 2008 will significantly improve compared to that of last year.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Group is committed to ensuring high standards of corporate governance practices as set out in the Code on Corporate Governance Practices (the “CG Code”) in Appendix 14 to the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Company had complied with the code provisions as set out in the CG Code throughout the six months ended 30th June, 2008 except the following:

1. Code Provision A.2.1

The Company does not segregate the roles of chairman and chief executive officer and Mr. Pang Tak Chung currently holds both positions. The Board believes that vesting the roles of both chairman and chief executive officer in the same person provides the Company with strong and consistent leadership, efficient usage of resources and allows for effective planning, formulation and implementation of the Company’s business strategies which will enable the Company to sustain the development of its business efficiently; and

2. Code Provision A.4.1

The non-executive directors of the Company have no set term of office. All directors of the Company shall be subject to retirement by rotation at least once every three years in accordance with the Company’s Bye-laws.

REVIEW OF ACCOUNTS

The financial information contained in this announcement is unaudited, the disclosure of which complies with Appendix 16 to the Listing Rules. The Audit Committee has reviewed the unaudited consolidated financial statements of the Group for the six months ended 30th June, 2008.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix 10 to the Listing Rules (the “Model Code”). Specific enquiry has been made by the Company to each director of the Company confirming that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company during the six months ended 30th June, 2008.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30th June, 2008.

By Order of the Board
Pang Tak Chung
Chairman

Hong Kong, 18th September, 2008

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Pang Tak Chung, Mr. Ho Wai Yu, Sammy and Mr. John Cyril Fletcher, all of whom are Executive Directors, Mr. Yu Kwok Kan, Stephen, Mr. Chan Yat Yan and Mr. Lo Yip Tong are Independent Non-Executive Directors.