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GOLIK HOLDINGS LIMITED

高力集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1118)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2013

The board of directors (the "Board") of Golik Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2013 together with the comparative figures for the year ended 31st December, 2012 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31st December,	
		2013	2012
	Notes	***HK$'000***	*HK$'000*
Revenue	*3*	**3,070,165**	2,916,502
Cost of sales		**(2,679,381)**	(2,564,895)
Gross profit		**390,784**	351,607
Other income		**27,579**	19,673
Interest income		**2,590**	2,257
Selling and distribution costs		**(91,062)**	(82,748)
Administrative expenses		**(174,357)**	(159,566)
Other gains and losses	*4*	**(14,484)**	(7,589)
Finance costs	*5*	**(26,422)**	(29,574)
Share of results of joint ventures		**227**	(99)
Profit before taxation		**114,855**	93,961
Income taxes	*6*	**(13,093)**	(9,045)
Profit for the year	*7*	**101,762**	84,916

* *For identification purposes only*

	Notes	Year ended 31st December, **2013** *HK$'000*	2012 *HK$'000*
Other comprehensive income (expense)			
Items that may be subsequently reclassified to profit or loss:			
– Exchange difference arising on translation of foreign operations		**10,526**	(120)
– Fair value gain on available-for-sale investment		**4,800**	8,320
– Release from reserve upon disposal of available-for-sale investment		**(13,120)**	–
Other comprehensive income for the year		**2,206**	8,200
Total comprehensive income for the year		**103,968**	93,116
Profit attributable to:			
Shareholders of the Company		**92,223**	81,748
Non-controlling interests		**9,539**	3,168
		101,762	84,916
Total comprehensive income attributable to:			
Shareholders of the Company		**92,896**	89,952
Non-controlling interests		**11,072**	3,164
		103,968	93,116
Earnings per share	*9*		
Basic and diluted		**HK16.41 cents**	HK14.55 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31st December, 2013 HK$'000	As at 31st December, 2012 HK$'000
Non-current Assets			
Goodwill		**–**	–
Property, plant and equipment		**464,628**	344,220
Prepaid lease payments		**16,380**	16,678
Interests in joint ventures		**2,923**	2,696
Available-for-sale investment		**–**	20,800
Long-term receivables		**–**	229
Deposits placed at insurance companies		**9,717**	8,877
Rental and other deposits		**5,918**	1,100
Deposits paid for acquisition of property, plant and equipment		**7,051**	5,229
Amounts due from joint ventures		**5,414**	6,952
Pledged bank deposits		**–**	1,509
		512,031	408,290
Current Assets			
Inventories		**435,335**	472,894
Trade and other receivables	*10*	**808,078**	602,485
Prepaid lease payments		**493**	483
Income tax recoverable		**134**	145
Derivative financial instruments		**3**	–
Pledged bank deposits		**1,621**	42,637
Bank balances and cash		**464,723**	373,466
		1,710,387	1,492,110
Current Liabilities			
Trade and other payables	*11*	**268,866**	304,360
Amounts due to non-controlling shareholders		**3,122**	26,380
Income tax payable		**8,074**	8,483
Bank borrowings		**911,198**	670,019
Obligations under finance leases		**258**	228
Obligation arising from a put option to non-controlling shareholders		**31,050**	31,050
Derivative financial instruments		**12,718**	12,395
		1,235,286	1,052,915
Net Current Assets		**475,101**	439,195
		987,132	847,485

	As at 31st December, 2013 *HK$'000*	As at 31st December, 2012 *HK$'000*
Capital and Reserves		
Share capital	**56,192**	56,192
Share premium and reserves	**808,953**	738,534
Equity attributable to shareholders of the Company	**865,145**	794,726
Non-controlling interests	**33,327**	22,255
Total Equity	**898,472**	816,981
Non-current Liabilities		
Bank borrowings	**72,258**	14,262
Deferred tax liabilities	**15,865**	16,026
Obligations under finance leases	**537**	216
	88,660	30,504
	987,132	847,485

Notes:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

Historical cost is generally based on the fair value of the consideration given in exchange of goods and services.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The Group has applied the following new and revised HKFRSs issued by the HKICPA for the first time in the current year:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009 – 2011 Cycle
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine

Except as described below, the application of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities*

The Group has applied the amendments to HKFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities* for the first time in the current year. The amendments to HKFRS 7 require entities to disclose information about:

(a) recognised financial instruments that are set off in accordance with HKAS 32 *Financial Instruments: Presentation*; and
(b) recognised financial instruments that are subject to an enforceable master netting agreement or similar agreement, irrespective of whether the financial instruments are set off in accordance with HKAS 32.

The Group has outstanding foreign currency forward contracts which are under individual agreement.

The amendments to HKFRS 7 have been applied retrospectively. The application of the amendments has had no material impact on the amounts reported in the Group's consolidated financial statements.

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In the current year, the Group has applied for the first time the package of five standards on consolidation, joint arrangements, associates and disclosures comprising HKFRS 10 *Consolidated Financial Statements,* HKFRS 11 *Joint Arrangements,* HKFRS 12 *Disclosure of Interests in Other Entities*, HKAS 27 (as revised in 2011) *Separate Financial Statements* and HKAS 28 (as revised in 2011) *Investments in Associates and Joint Ventures*, together with the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 regarding transitional guidance.

HKAS 27 (as revised in 2011) is not applicable to the Group as it deals only with separate financial statements.

The impact of the application of these standards is set out below.

Impact of the application of HKFRS 10

HKFRS 10 replaces the parts of HKAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements and HK(SIC) Int – 12 *Consolidation – Special Purpose Entities*. HKFRS 10 changes the definition of control such that an investor has control over an investee when (a) it has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee.

The directors of the Company reviewed and assessed the application of these five standards in the current year and concluded that they have had no material effect on the amounts reported in these consolidated financial statements.

Impact of the application of HKFRS 12

HKFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries. In general, the application of HKFRS 12 has resulted in more extensive disclosures in the consolidated financial statements.

HKFRS 13 ***Fair Value Measurement***

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements. The scope of HKFRS 13 is broad: the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and nonfinancial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application. In accordance with the transitional provisions of HKFRS 13, the Group has not made any new disclosures required by HKFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

Amendments to HKAS 1 *Presentation of Items of Other Comprehensive Income*

The Group has applied the amendments to HKAS 1 *Presentation of Items of Other Comprehensive Income*. Upon the adoption of the amendments to HKAS 1, the Group's 'statement of comprehensive income' is renamed as the 'statement of profit or loss and other comprehensive income'. Furthermore, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[1]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[2]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[3]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets[1]
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 Cycle[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 Cycle[2]
HKFRS 9	Financial Instruments[3]
HKFRS 14	Regulatory Deferral Accounts[5]
HK(IFRIC) – Int 21	Levies[1]

1 Effective for annual periods beginning on or after 1st January, 2014.

2 Effective for annual periods beginning on or after 1st July, 2014.

3 Available for application – the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.

4 Effective for annual periods beginning on or after 1st July, 2014, with limited exceptions.

5 Effective for first annual HKFRS financial statements beginning on or after 1st January, 2016.

The directors of the Company anticipate that the application of these new and revised standards, amendments or interpretation will have no material impact on the consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable for goods sold by the Group to outside customers, net of discounts and sales related taxes.

Information reported to the Chairman and Vice Chairman of the Group, being the chief operating decision makers, for the purposes of resource allocation and assessment of segment performance focuses on types of goods sold.

Specifically, the Group's operating and reportable segments under HKFRS 8 *Operating Segments* are as follows:

1. Metal products
2. Building construction materials

In addition, the Group's operations relating to plastic products and printing materials are aggregated and presented as other operations.

During the year, the Group's "Metal Products" and "Building Construction Materials" segments were regrouped because the chief operating decision makers believe that such regrouping better reflects the segments' performance based on the respective nature of relevant operating units. Accordingly, the comparative information for the year ended 31st December, 2012 has been restated to conform with the current year's presentation.

The following is an analysis of the Group's revenue and results by reportable segment.

For the year ended 31st December, 2013

	Metal products *HK$'000*	Building construction materials *HK$'000*	Reportable segment total *HK$'000*	Other operations *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
REVENUE						
External sales	**1,339,846**	**1,574,187**	**2,914,033**	**156,132**	**–**	**3,070,165**
Inter-segment sales	**4,318**	**3,581**	**7,899**	**–**	**(7,899)**	**–**
Total	**1,344,164**	**1,577,768**	**2,921,932**	**156,132**	**(7,899)**	**3,070,165**
SEGMENT RESULT	**75,705**	**86,492**	**162,197**	**(13,496)**	**(229)**	**148,472**
Unallocated other income						**7,593**
Unallocated corporate expenses						**(21,557)**
Fair value loss on put option derivative						**(323)**
Gain on disposal of listed equity securities investment						**8,409**
Finance costs						**(26,422)**
Share of results of joint ventures						**227**
Write-off of amount due from a joint venture						**(1,544)**
Profit before taxation						**114,855**

For the year ended 31st December, 2012 (restated)

	Metal products *HK$'000*	Building construction materials *HK$'000*	Reportable segment total *HK$'000*	Other operations *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
REVENUE						
External sales	1,409,453	1,308,891	2,718,344	198,158	–	2,916,502
Inter-segment sales	3,966	2,949	6,915	–	(6,915)	–
Total	1,413,419	1,311,840	2,725,259	198,158	(6,915)	2,916,502
SEGMENT RESULT	48,128	90,494	138,622	(9,026)	(36)	129,560
Unallocated other income						6,039
Unallocated corporate expenses						(23,141)
Fair value loss on put option derivative						(1,304)
Gain on disposal of unlisted equity security investment						12,480
Finance costs						(29,574)
Share of results of joint ventures						(99)
Profit before taxation						93,961

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment result represents the gross profit (loss) generated/suffered from each segment, net of selling and distribution costs and administrative expenses directly attributable to each segment without allocation of certain other income, corporate expenses, fair value loss on put option derivative, gain on disposal of equity securities investments, finance costs, share of results of joint ventures and write-off of amount due from a joint venture. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

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

Other segment information

The following other segment information is included in the measure of segment profit or loss:

For the year ended 31st December, 2013

	Metal products *HK$'000*	**Building construction materials** *HK$'000*	**Reportable segment total** *HK$'000*	**Other operations** *HK$'000*	**Unallocated** *HK$'000*	**Consolidated** *HK$'000*
Depreciation	**30,259**	**5,678**	**35,937**	**462**	**1,921**	**38,320**
Amortisation of prepaid lease payments	**459**	**28**	**487**	**–**	**–**	**487**
Allowance for bad and doubtful debts, net	**7,402**	**6,735**	**14,137**	**10,540**	**68**	**24,745**
Write down of inventories	**6,491**	**733**	**7,224**	**–**	**–**	**7,224**
(Gain) loss on disposal of property, plant and equipment	**(6,449)**	**48**	**(6,401)**	**(816)**	**(21)**	**(7,238)**
Gain on disposal of prepaid lease payment	**(2,209)**	**–**	**(2,209)**	**–**	**–**	**(2,209)**
Impairment losses on property, plant and equipment	**7,748**	**–**	**7,748**	**–**	**–**	**7,748**

For the year ended 31st December, 2012 (restated)

	Metal products *HK$'000*	Building construction materials *HK$'000*	Reportable segment total *HK$'000*	Other operations *HK$'000*	Unallocated *HK$'000*	Consolidated *HK$'000*
Depreciation	27,418	4,894	32,312	1,914	1,880	36,106
Amortisation of prepaid lease payments	455	–	455	–	–	455
Allowance for bad and doubtful debts, net	6,096	8,498	14,594	504	–	15,098
Write down (reversal of write down) of inventories	67	14,000	14,067	(12)	–	14,055
Gain on disposal of property, plant and equipment	(119)	(1,657)	(1,776)	(10)	–	(1,786)
Impairment losses on property, plant and equipment	–	–	–	5,733	–	5,733

Revenue from major products

The following is an analysis of the Group's revenue from its major products:

	2013 ***HK$'000***	2012 *HK$'000* (restated)
Metal products	**1,339,846**	1,409,453
Building construction materials		
– Concrete products	**312,934**	170,830
– Construction steel and other products	**1,261,253**	1,138,061
Others	**156,132**	198,158
	3,070,165	2,916,502

Geographical information

The Group operates in two principal geographical areas, including Hong Kong and other regions in the People's Republic of China (the "PRC").

The Group's revenue from external customers by geographical location of the customers and information about its non-current assets other than financial instruments by geographical location of the assets are detailed below:

	Revenue from external customers		**Non-current assets other than financial instruments**	
	2013	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**1,909,828**	1,675,150	**183,157**	87,741
Other regions in the PRC	**1,001,825**	1,011,935	**313,743**	282,182
Macau	**86,482**	48,901	**–**	–
Australia	**34,223**	29,256	**–**	–
Others	**37,807**	151,260	**–**	–
	3,070,165	2,916,502	**496,900**	369,923

No customer has contributed over 10% of the total revenue of the Group for both years.

No segment assets and liabilities are presented as the information is not reportable to the chief operating decision makers in the resource allocation and assessment of performance.

4. OTHER GAINS AND LOSSES

	2013	2012
	HK$'000	*HK$'000*
Change in fair value of foreign currency forward contracts derivative	**(316)**	(344)
Fair value loss on put option derivative	**323**	1,304
Gain on disposal of property, plant and equipment	**(7,238)**	(1,786)
Gain on disposal of prepaid lease payment	**(2,209)**	–
Impairment losses on property, plant and equipment	**7,748**	5,733
Write-off of amount due from a joint venture	**1,544**	–
Net exchange (gain) loss	**(1,704)**	64
Allowance for bad and doubtful debts	**25,035**	15,308
Reversal of allowance for bad and doubtful debts	**(290)**	(210)
Gain on disposal of unlisted equity security investment	**–**	(12,480)
Gain on disposal of listed equity securities investment	**(8,409)**	–
	14,484	7,589

5. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Interest on:		
Bank borrowings wholly repayable within five years	**26,399**	28,343
Imputed interest arising from a put option granted to non-controlling shareholders	**–**	1,209
Finance leases	**23**	22
	26,422	29,574

6. INCOME TAXES

	2013	2012
	HK$'000	*HK$'000*
The charge comprises:		
Current year		
Hong Kong	**1,738**	131
Other regions in the PRC	**11,877**	7,226
	13,615	7,357
(Overprovision) underprovision in prior years		
Hong Kong	**(411)**	478
Other regions in the PRC	**50**	(7)
	(361)	471
Deferred tax	**(161)**	1,217
	13,093	9,045

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%. 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 was still applicable until the end of the five-year transitional period under the EIT Law. Such tax exemption and deduction expired in 2012.

In addition, a PRC subsidiary of the Company was qualified as "High-tech Enterprise" in Tianjin during the year ended 31st December, 2013. Accordingly, the PRC subsidiary was subjected to an enterprise income tax rate of 15% for three years starting from 2013.

The EIT Law requires withholding tax to be levied on distribution of profits earned by a PRC entity to a Hong Kong resident company (which is the beneficial owner of the dividend received) for profits generated after 1st January, 2008 at the rate of 5%. As at 31st December, 2013 and 31st December, 2012, deferred tax was provided for in full in respect of the temporary differences attributable to such profits.

7. PROFIT FOR THE YEAR

	2013	2012
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging:		
Amortisation of prepaid lease payments	**487**	455
Depreciation	**38,320**	36,106

8. DIVIDEND

	2013	2012
	HK$'000	*HK$'000*
Dividends paid:		
2013 Interim – HK1.5 cents (2012: HK1.5 cents) per ordinary share	**8,429**	8,429
2012 Final – HK2.5 cents (2012: 2011 Final – HK2.8 cents) per ordinary share	**14,048**	15,734
	22,477	24,163
Dividend proposed:		
Final dividend proposed for the year – HK2.8 cents (2012: HK2.5 cents) per ordinary share	**15,734**	14,048

The directors recommend the payment of a final dividend of HK2.8 cents per share for the year ended 31st December, 2013 which is subject to approval by the shareholders at the annual general meeting.

9. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit attributable to the shareholders of the Company for the year and 561,922,500 (2012: 561,922,500) number of ordinary shares in issue during the year.

The calculation of the diluted earnings per share for the year ended 31st December, 2013 and 2012 does not assume the exercise of the written put option on shares of a subsidiary as it is anti-dilutive.

10. TRADE AND OTHER RECEIVABLES

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

Included in trade and other receivables are trade receivables, net of allowance for doubtful debts, with an aged analysis presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates as follows:

	2013	2012
	HK$'000	*HK$'000*
0 – 30 days	**334,063**	254,543
31 – 60 days	**224,310**	173,530
61 – 90 days	**118,480**	60,867
91 – 120 days	**67,156**	30,515
More than 120 days	**28,509**	24,825
	772,518	544,280

11. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables with an aged analysis presented based on the invoice date at the end of the reporting period as follows:

	2013	2012
	HK$'000	*HK$'000*
0 – 30 days	**96,674**	96,227
31 – 60 days	**32,878**	34,401
61 – 90 days	**12,274**	19,310
91 – 120 days	**2,700**	13,781
More than 120 days	**3,626**	22,988
	148,152	186,707

BUSINESS REVIEW

The Group's two major core businesses were metal products and building construction materials.

In 2013, most developed economies had effectively stabilised in a gradual recovery process. However, there was a slowdown in emerging economies including China where GDP grew 7.7% – the lowest in a decade. China's economic slowdown had in large been driven by overcapacity as reflected in the twenty four consecutive months of negative growth in the economy's Producer Price Index (PPI). The outlook on the operating environment for Chinese manufacturing remains challenging.

During the year, the Group's operating revenue and profit experienced growth with each core business delivering relatively stable and satisfactory performance. The outcome was attributable to the Group's development of high value-added products in our metal products business for the domestic market over the years and of the turnaround of Hong Kong's construction industry.

For the year ended 31st December, 2013, the Group's revenue was HK$3,070,165,000, an increase of approximately 5% compared to last year.

After the deduction of non-controlling interests, profit attributable to the shareholders of the Company for the year was HK$92,223,000, an increase of approximately 13% compared to the same period last year.

The Board of Directors has recommended a final dividend of HK2.8 cents per share. Together with the paid interim dividend of HK1.5 cents per share, total dividends for the year will amount to HK4.3 cents per share.

Metal Products

The business comprises mainly of steel coil processing, steel wire ropes and other steel wire products processing and manufacturing. Revenue for the year was HK$1,344,164,000, a decrease of approximately 5% over last year. Profit before interest and taxation was HK$75,705,000, an increase of approximately 57% over last year.

Our metal products business continued to face challenges in the year with weak export markets, increased competition, lower prices and increased costs. Despite the difficult environment, the Group's metal products business was still able to achieve relatively good results as the incremental rollout of our strategy take form for our Mainland manufacturing businesses to transform and move up the value chain.

In the period, our steel coil processing business was restructured and streamlined to reduce expenses leading to an overall gain in efficiency.

The results from our steel wires and wire rope products businesses were encouraging, in particular the outstanding performance achieved by our elevator wire rope unit in Tianjin. Not only was double-digit growth achieved, the on-going development of new high-end products had resulted in the recognition of the business as a high-tech enterprise in the city of Tianjin eligible for tax concessions. The wire rope factory in Heshan, Guangdong Province had also successfully developed and produced fibre optic cable strands, delivering a good outcome for the Group.

Our management team believes that the challenges faced by the Group's Mainland manufacturing businesses in the foreseeable horizon will be difficult to eliminate or to mitigate. Our strategy to restructure our enterprises and products to move us up the value chain is set as necessary for our times. The Group will continue to step up our efforts in R&D, personnel training, product quality, product technology and management to keep ahead of our competition.

Building Construction Materials

The business comprises mainly of the supply of ready mixed concrete in Hong Kong, construction steel distribution and other building construction materials. Revenue for the year was HK$1,577,768,000, an increase of approximately 20% over last year. Profit before interest and taxation was HK$86,492,000, representing a decrease of approximately 4% over last year.

Results from our steel distribution and ready mixed concrete businesses in the period remained stable with satisfactory performance.

In recent years, softness in the steel market had kept profitability of our steel distribution business relatively low. To mitigate risk and keep it under control, the Group had maintained caution over significant expansion despite a booming construction market. Nevertheless, contributions remained stable.

The successful bid outcome of a ready mixed concrete plant site located in Mui Wo, Lantau Island from the Government during the year had turned operational. With new public housing projects earmarked for the area by the Government, the plant is expected to increase its revenue contribution to the Group's ready mixed concrete business in the coming years.

Over the next decade, the Group expects infrastructure spending and housing demand in Hong Kong to remain at a high level, giving Hong Kong's construction industry a sustained period of growth. This will provide a moderate opportunity for the development of the Group's building construction materials business and the Group will continue to increase its efforts to maximise the business's revenue contribution.

1. Under a risk-adjusted scenario, the Group will seek moderate expansion of our steel distribution business in Hong Kong.

2. In Yuen Long, our ready mixed concrete plant is operating at favourable levels but it is expected to reach full capacity in a year or two. The Group will continue to identify and seize opportunities for a new plant.

3. The acquired shipyard site in Tsing Yi earlier in the year has excellent locational attributes, being in the centre of Hong Kong Island, Kowloon and the New Territories. Together with access to waterways, it is an ideal base for a building construction materials distribution hub in Hong Kong. The Group is currently in the process of applying for a change in land use with the Town Planning Department to convert the site for building construction materials handling which is estimated to take two to three years.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31st December, 2013, the total bank balances and cash of the Group amounted to HK$464,723,000 (31st December, 2012: HK$373,466,000). As at 31st December, 2013, current ratio (current assets to current liabilities) for the Group was 1.38:1 (31st December, 2012: 1.42:1).

As at 31st December, 2013, the total borrowings for the Group amounted to HK$984,251,000 (31st December, 2012: HK$684,725,000).

The Group's monetary assets are principally denominated in Hong Kong dollars, Renminbi and United States dollars. As Hong Kong dollars is pegged to United States dollars, the Group believes its exposure to exchange risk is limited. 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 year, there was no material change to the capital structure of the Company. The number of the Company's ordinary shares in issue as at 31st December, 2013 was 561,922,500 (31st December, 2012: 561,922,500). As at 31st December, 2013, the equity attributable to the shareholders of the Company amounted to HK$865,145,000 (31st December, 2012: HK$794,726,000).

As at 31st December, 2013, net gearing ratio (total borrowings minus bank balances and cash to total equity) was 0.58:1 (31st December, 2012: 0.38:1).

EMPLOYMENT AND REMUNERATION POLICY

As at 31st December, 2013, the total number of staff of the Group was 1,249. The Group also provides 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

Looking ahead, the recovery in developed economies is expected to continue – but in emerging economies including China, there are further signs of economic slowdown. Moreover, the real impact on the economy stemming from deep economic reforms by the new Chinese leadership remains to be seen. Hence, the Group's manufacturing businesses in the Mainland are expected to continue to face enormous difficulties and challenges.

As more major infrastructure projects commence, the construction industry in Hong Kong is now in a period of boom. The value of public works by the Government will be over seventy billion dollars annually. Meanwhile, construction spending in new rail lines, the airport and the private sector will remain at a buoyant level. The Group's outlook on Hong Kong's building construction materials business is optimistic and our goal is to incrementally increase its proportion of contribution to the Group's revenue.

The Group's enduring philosophy is stable development, and we will set goals and devise strategies relevant to the times to advance and develop each of our core businesses steadily and sustainably.

CORPORATE GOVERNANCE

The Group is committed to maintenance of good 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 on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"). The Company has complied with code provisions as set out in the CG Code for the year ended 31st December, 2013 except the followings:

Code provision A.2.1, the Company does not separate the roles of Chairman and Chief Executive Officer and Mr. Pang Tak Chung currently holds both positions. As 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.

Code provision A.5.1, the Company does not propose to establish a Nomination Committee for the time being as the full Board is responsible for reviewing the structure, size and composition of the Board and the appointment of new directors from time to time to ensure that it has a balanced composition of their skills and experience appropriate for the requirements of the businesses of the Company, and the Board as a whole is also responsible for reviewing the succession plan for the directors.

Code provision A.5.6, the Company does not have a policy concerning diversity of board members for the time being. In designing the Board's composition, the Company will consider from all aspects, all directors' appointment will be based on meritocracy and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Code provision A.6.7. and E.1.2, an Independent Non-executive Director and the Chairman of the Board were unable to attend the annual general meeting of the Company held on 7th June, 2013 as they had another engagement.

AUDIT COMMITTEE

The Company established its Audit Committee on 5th January, 1999 with written terms of reference which are in line with the code provision. The Audit Committee comprises three Independent Non-executive Directors namely Mr. Yu Kwok Kan, Stephen, Mr. Chan Yat Yan and Mr. Lo Yip Tong.

Disclosure of financial information in this announcement complies with Appendix 16 to the Listing Rules. The Company's Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31st December, 2013.

REMUNERATION COMMITTEE

The Company established its Remuneration Committee on 21st April, 2005 with written terms of reference which are in line with the code provision. The Remuneration Committee comprises three Independent Non-executive Directors namely Mr. Yu Kwok Kan, Stephen, Mr. Chan Yat Yan and Mr. Lo Yip Tong.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standards 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 standards set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company for the year ended 31st December, 2013.

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 year ended 31st December, 2013.

FINAL DIVIDEND

The Board of Directors recommends payment of a final dividend of HK2.8 cents per share for the year ended 31st December, 2013 to be payable to the shareholders of the Company whose names appear on the register of members of the Company as at 18th June, 2014. Subject to the approval of the Company's shareholders at the forthcoming annual general meeting of the Company to be held on 5th June, 2014 (the "AGM"), the proposed final dividend will be paid to the Company's shareholders on 4th July, 2014.

Together with the interim dividend of HK1.5 cents per share, total dividends for the full financial year will amount to HK4.3 cents per share.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company (the "Register of Members") will be closed for the following periods:

(i) For determining eligibility to attend and vote at the AGM:

Latest time to lodge transfers	4:30 p.m. on Friday, 30th May, 2014
Closure of Register of Members	Tuesday, 3rd June, 2014 to Thursday, 5th June, 2014 (both dates inclusive)
Record date	Thursday, 5th June, 2014

(ii) For determining entitlement to the proposed final dividend:

Latest time to lodge transfers	4:30 p.m. on Friday, 13th June, 2014
Closure of Register of Members	Monday, 16th June, 2014 to Wednesday, 18th June, 2014 (both dates inclusive)
Record date	Wednesday, 18th June, 2014

During the above closure periods, no transfer of shares of the Company will be registered. To be eligible to attend and vote at the AGM, and to qualify for entitlement to the proposed final dividend, all transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than the aforementioned latest time.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.golik.com.hk). The 2013 Annual Report containing information required by the Listing Rules will be despatched to the shareholders of the Company and available on the above websites in due course.

ACKNOWLEDGEMENTS

I personally take this opportunity to thank all our employees and management staff in abundance for their contributions and past efforts. I would also like to thank all our customers, shareholders, banks and business associates who had supported us along the way. With your continuing support, the Group endeavours to deliver good results in the coming year.

By order of the Board
Golik Holdings Limited
Pang Tak Chung
Chairman

Hong Kong, 26th March, 2014

As at the date of this announcement, the Directors of the Company comprise:

Executive Directors:	Mr. Pang Tak Chung, Mr. Ho Wai Yu, Sammy, Mr. John Cyril Fletcher and Ms. Pang Wan Ping
Independent Non-executive Directors:	Mr. Yu Kwok Kan, Stephen, Mr. Chan Yat Yan and Mr. Lo Yip Tong