

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



## GOLIK HOLDINGS LIMITED

高力集團有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1118)

### INTERIM RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE, 2021

The board of directors (the “Board”) 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, 2021 together with the comparative unaudited figures for the corresponding period in 2020 as follows:

#### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended 30th June,	
		2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Revenue	3	1,972,376	1,258,920
Cost of sales		(1,680,290)	(1,052,898)
Gross profit		292,086	206,022
Other income		22,738	9,844
Interest income		1,049	1,351
Selling and distribution costs		(68,601)	(57,099)
Administrative expenses		(93,299)	(80,203)
(Impairment losses) reversal of impairment losses under expected credit loss (“ECL”) model, net		(9,106)	666
Other gains and losses	4	233	(1,096)
Other expenses		(30,848)	(22,186)
Finance costs		(13,365)	(17,202)
– Interest on bank borrowings		(7,649)	(11,276)
– Interest on lease liabilities		(5,716)	(5,926)
Share of result of a joint venture		(137)	(55)
Share of result of an associate		(364)	208
Profit before taxation		100,386	40,250
Income taxes	5	(8,524)	(7,583)
<b>Profit for the period</b>	6	<b>91,862</b>	<b>32,667</b>

\* For identification purposes only

	<i>Note</i>	<b>Six months ended 30th June,</b>	
		<b>2021</b>	2020
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>(unaudited)</b>	<b>(unaudited)</b>
<b>Other comprehensive income (expense):</b>			
<b>Items that may be subsequently reclassified to profit or loss:</b>			
– Exchange difference arising on translation of foreign operations		<b>6,886</b>	(9,251)
– Release from exchange reserve upon deregistration of a subsidiary		–	531
– Release from Mainland China statutory reserve upon deregistration of a subsidiary		–	(43)
<b>Item that will not be reclassified to profit or loss:</b>			
– Fair value loss on an equity instrument at fair value through other comprehensive income (“FVTOCI”)		<b>(530)</b>	(1,576)
Other comprehensive income (expense) for the period		<b>6,356</b>	(10,339)
<b>Total comprehensive income for the period</b>		<b>98,218</b>	22,328
Profit for the period attributable to:			
Shareholders of the Company		<b>78,286</b>	22,338
Non-controlling interests		<b>13,576</b>	10,329
		<b>91,862</b>	32,667
Total comprehensive income for the period attributable to:			
Shareholders of the Company		<b>83,325</b>	13,745
Non-controlling interests		<b>14,893</b>	8,583
		<b>98,218</b>	22,328
Basic earnings per share	8	<b>HK13.63 cents</b>	HK3.89 cents

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	As at <b>30th June, 2021</b> <i>HK\$'000</i> <b>(unaudited)</b>	As at 31st December, 2020 <i>HK\$'000</i> <b>(audited)</b>
<b>Non-current Assets</b>			
Property, plant and equipment		497,728	491,170
Right-of-use assets		239,442	262,785
Interest in a joint venture		5,347	5,484
Interest in an associate		–	–
Amount due from an associate		–	364
Equity instrument at FVTOCI		3,188	3,718
Insurance policy assets		13,747	13,294
Rental and other deposits	9	7,386	12,036
Deposits paid for acquisition of property, plant and equipment		1,354	4,921
Loan receivables	9	2,067	2,485
		<b>770,259</b>	796,257
<b>Current Assets</b>			
Inventories		735,254	444,521
Trade, bills, loan and other receivables	9	840,584	764,196
Income tax recoverable		343	467
Bank deposits with original maturity over three months		–	2,376
Bank balances and cash		527,185	403,092
		<b>2,103,366</b>	1,614,652
Assets classified as held for sale		35,323	35,097
		<b>2,138,689</b>	1,649,749
<b>Current Liabilities</b>			
Trade and other payables	10	384,424	331,058
Contract liabilities		30,382	24,510
Lease liabilities		40,109	47,299
Dividend payable		20,103	–
Amounts due to non-controlling shareholders		3,200	3,200
Income tax payable		8,001	8,054
Bank borrowings		1,019,677	691,766
		<b>1,505,896</b>	1,105,887
<b>Net Current Assets</b>		<b>632,793</b>	543,862
		<b>1,403,052</b>	1,340,119

	As at <b>30th June, 2021</b> <i>HK\$'000</i> (unaudited)	As at 31st December, 2020 <i>HK\$'000</i> (audited)
<b>Capital and Reserves</b>		
Share capital	57,438	57,438
Share premium and reserves	<u>1,022,671</u>	<u>959,449</u>
Equity attributable to shareholders of the Company	<b>1,080,109</b>	1,016,887
Non-controlling interests	<u>100,618</u>	<u>88,545</u>
<b>Total Equity</b>	<u><b>1,180,727</b></u>	<u>1,105,432</u>
<b>Non-current Liabilities</b>		
Deferred tax liabilities	22,300	20,880
Lease liabilities	<u>200,025</u>	<u>213,807</u>
	<u>222,325</u>	<u>234,687</u>
	<u><b>1,403,052</b></u>	<u>1,340,119</u>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. BASIS OF PREPARATION

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

## 2. PRINCIPAL ACCOUNTING POLICIES

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

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th June, 2021 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31st December, 2020.

### Application of amendments to HKFRSs

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1st January, 2021 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 16	Covid-19-Related Rent Concessions
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 3. REVENUE AND SEGMENT INFORMATION

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

Information reported to the Chairman and the 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 and services provided.

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 operation relating to money lending is presented as other operation.

The following is an analysis of the Group's revenue and results by operating and reportable segment for the period under review:

**For the six months ended 30th June, 2021 (unaudited)**

	Metal products HK\$'000	Building construction materials HK\$'000	Reportable segment total HK\$'000	Other operation HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
<b>REVENUE</b>						
External revenue	813,165	1,159,118	1,972,283	93	-	1,972,376
Inter-segment revenue	2,116	579	2,695	-	(2,695)	-
Total	<u>815,281</u>	<u>1,159,697</u>	<u>1,974,978</u>	<u>93</u>	<u>(2,695)</u>	<u>1,972,376</u>
<b>SEGMENT RESULT</b>						
	<u>82,082</u>	<u>41,790</u>	<u>123,872</u>	<u>115</u>	<u>-</u>	<u>123,987</u>
Unallocated other income						729
Unallocated corporate expenses						(10,464)
Finance costs						(13,365)
- Interest on bank borrowings						(7,649)
- Interest on lease liabilities						(5,716)
Share of result of a joint venture						(137)
Share of result of an associate						(364)
Profit before taxation						<u>100,386</u>

**For the six months ended 30th June, 2020 (unaudited)**

	Metal products HK\$'000	Building construction materials HK\$'000	Reportable segment total HK\$'000	Other operation HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
<b>REVENUE</b>						
External revenue	525,155	733,765	1,258,920	-	-	1,258,920
Inter-segment revenue	3,663	1,062	4,725	-	(4,725)	-
Total	<u>528,818</u>	<u>734,827</u>	<u>1,263,645</u>	<u>-</u>	<u>(4,725)</u>	<u>1,258,920</u>
<b>SEGMENT RESULT</b>						
	<u>53,748</u>	<u>14,108</u>	<u>67,856</u>	<u>-</u>	<u>-</u>	<u>67,856</u>
Unallocated other income						1,183
Unallocated corporate expenses						(11,740)
Finance costs						(17,202)
- Interest on bank borrowings						(11,276)
- Interest on lease liabilities						(5,926)
Share of result of a joint venture						(55)
Share of result of an associate						208
Profit before taxation						<u>40,250</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment result represents the gross profit generated or loss 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, finance costs and share of results of a joint venture and an associate. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

## Revenue from major products and services

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

	Six months ended 30th June,	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Steel coil processing, steel wires and wire rope products	813,165	525,155
Concrete products	205,042	174,250
Construction steel products and processing, and other construction products	954,076	559,515
Interest income from money lending	93	–
	<u>1,972,376</u>	<u>1,258,920</u>

## Geographical information

The Group's revenue from external customers by geographical location of the customers is detailed below:

	Six months ended 30th June,	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Hong Kong	1,084,757	709,302
Mainland China	775,207	498,715
Macau	66,620	3,422
Others	45,792	47,481
	<u>1,972,376</u>	<u>1,258,920</u>

All the revenue of the Group is recognised at a point in time.

## 4. OTHER GAINS AND LOSSES

	Six months ended 30th June,	
	2021 HK\$'000 (unaudited)	2020 HK\$'000 (unaudited)
Gain on disposal of investment properties	–	112
(Loss) gain on disposal of property, plant and equipment	(626)	62
Loss on deregistration of a subsidiary	–	(488)
Net exchange gain (loss)	859	(782)
	<u>233</u>	<u>(1,096)</u>

## 5. INCOME TAXES

	Six months ended 30th June,	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
The charge comprises:		
Current period		
Hong Kong Profits Tax	152	270
Mainland China Enterprise Income Tax	11,423	8,474
Withholding tax paid for distributed profits in Mainland China	1,157	315
	<u>12,732</u>	<u>9,059</u>
Overprovision in prior years		
Hong Kong Profits Tax	(310)	–
Mainland China Enterprise Income Tax	(5,318)	(2,291)
	<u>(5,628)</u>	<u>(2,291)</u>
Deferred taxation	<u>1,420</u>	<u>815</u>
	<u><b>8,524</b></u>	<u><b>7,583</b></u>

On 21st March, 2018, the Hong Kong Legislative Council passes the Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28th March, 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of taxable profits of a qualifying entity in the group will be taxed at 8.25%, and taxable profits above HK\$2 million will be taxed at 16.5%. The profits of other entities in the group not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of Mainland China on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the Chinese subsidiaries is 25% for both periods. In addition, one Chinese subsidiary of the Company in Tianjin and one in Guangdong were qualified as “High-tech Enterprise” and subject to an Enterprise Income Tax Rate of 15%, which were granted for three years starting from 2019 and 2018 respectively. Another three Chinese subsidiaries were qualified as “Small Low-profit Enterprise” in Guangdong and subject to an Enterprise Income Tax Rate of 5% for the first Renminbi (“RMB”) 1 million of taxable profits and 10% for the taxable profits above RMB1 million but not exceeding RMB3 million. Further, withholding income tax of 10% is generally imposed on dividends relating to any profits earned commencing from 2008 to foreign investors, while for some Chinese entities held by companies incorporated in certain places, including Hong Kong, preferential tax rate of 5% will be applied according to Mainland China tax regulations if such companies are the beneficial owner of over 25% of these Chinese entities.

The EIT Law requires withholding tax to be levied on distribution of profits earned by a Chinese 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 30th June, 2021 and 31st December, 2020, deferred tax was provided in full in respect of the temporary differences attributable to such profits.



**6. PROFIT FOR THE PERIOD**

**Six months ended 30th June,**

<b>2021</b>	<b>2020</b>
<b>HK\$'000</b>	<b>HK\$'000</b>
<b>(unaudited)</b>	<b>(unaudited)</b>

Profit for the period has been arrived at after charging (crediting):

Depreciation of property, plant and equipment	<b>20,556</b>	17,505
Depreciation of right-of-use assets	<b>25,865</b>	30,049
Net increase (decrease) of inventories provision (included in cost of sales)	<b>10,558</b>	(14)
	<b><u>10,558</u></b>	<b><u>(14)</u></b>

**7. DIVIDEND**

During the current period, a final dividend of HK3.5 cents per share in respect of the year ended 31st December, 2020 (six months ended 30th June, 2020: final dividend of HK2.0 cents per share in respect of the year ended 31st December, 2019) was declared. The aggregate amount of the final dividend payable in the current period amounted to approximately HK\$20,103,000 (six months ended 30th June, 2020: approximately HK\$11,488,000).

Subsequent to the end of the interim period, the directors have determined that an interim dividend of HK2.0 cents per share (six months ended 30th June, 2020: Nil) will be paid to the shareholders of the Company whose names appear in the register of members of the Company on 13th October, 2021.

**8. BASIC EARNINGS PER SHARE**

The calculation of the basic earnings per share is based on the profit for the period attributable to the shareholders of the Company of approximately HK\$78,286,000 (six months ended 30th June, 2020: approximately HK\$22,338,000) and 574,378,128 (six months ended 30th June, 2020: 574,378,128) ordinary shares in issue during the period.

No diluted earnings per share for both periods was presented as there were no potential ordinary shares in issue as at both period ends.

9. RENTAL AND OTHER DEPOSITS, TRADE, BILLS, LOAN AND OTHER RECEIVABLES

	As at 30th June, 2021 <i>HK\$'000</i> (unaudited)	As at 31st December, 2020 <i>HK\$'000</i> (audited)
Trade and bills receivables, net	776,940	691,940
Prepayments, deposits and other receivables, net	70,204	83,486
Loan receivables, net	2,893	3,291
	<u>850,037</u>	<u>778,717</u>
Analysed for reporting purpose as:		
Current	840,584	764,196
Non-current – Loan receivables, net	2,067	2,485
Non-current – Rental and other deposits	7,386	12,036
	<u>850,037</u>	<u>778,717</u>

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

Trade and bills receivables, net of impairment losses under ECL model, with an ageing analysis presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates as follows:

	As at 30th June, 2021 <i>HK\$'000</i> (unaudited)	As at 31st December, 2020 <i>HK\$'000</i> (audited)
0 – 30 days	384,644	362,958
31 – 60 days	246,643	211,255
61 – 90 days	97,833	75,397
91 – 120 days	28,895	21,963
More than 120 days	18,925	20,367
	<u>776,940</u>	<u>691,940</u>

**10. TRADE AND OTHER PAYABLES**

	<b>As at 30th June, 2021 HK\$'000 (unaudited)</b>	<b>As at 31st December, 2020 HK\$'000 (audited)</b>
Trade payables	<b>179,503</b>	145,567
Accruals, deposits received and other payables	<b>204,921</b>	185,491
	<b>384,424</b>	331,058

Trade payables with an ageing analysis presented based on the invoice date at the end of the reporting period as follows:

	<b>As at 30th June, 2021 HK\$'000 (unaudited)</b>	<b>As at 31st December, 2020 HK\$'000 (audited)</b>
0 – 30 days	<b>138,605</b>	104,330
31 – 60 days	<b>26,065</b>	27,467
61 – 90 days	<b>7,611</b>	5,797
91 – 120 days	<b>3,049</b>	3,318
More than 120 days	<b>4,173</b>	4,655
	<b>179,503</b>	145,567

## **BUSINESS REVIEW**

Metal products and building construction materials represent the two major core businesses during the period under review.

For the six months ended 30th June, 2021, the Group's total revenue was approximately HK\$1,972,376,000, representing an increase of 57% over the same period last year. The increase in revenue was mainly attributable to a more balanced growth in various businesses and an increase in steel prices during the period.

After deduction of profit attributable to non-controlling interests, profit attributable to shareholders of the Company amounted to approximately HK\$78,286,000, representing a significant increase of 250% over the same period last year.

During the period under review, the novel coronavirus (COVID-19) pandemic has created an unprecedented level of massive uncertainties to global economy. The Group's businesses also faced a series of challenges, especially for various raw materials such as steel which prices increased sharply and the imbalance in the global supply chain as a result of the pandemic, causing disruptions in the supply. During the period, the Management invested a huge amount of effort in responding to challenges, strictly controlling and managing all business operations, as well as focusing on increasing operating efficiency to avoid operational risks. Amidst a challenging environment, the Group's results were still able to achieve our expected goals, and the performance is satisfactory for the period.

The Board has declared an interim dividend of HK2.0 cents per share.

### **Metal Products**

The business is currently comprising of steel coil processing, steel wires, and steel wire rope products.

During the period, revenue was approximately HK\$815,281,000, representing an increase of 54% over the same period last year, and the profit before interest and taxation was approximately HK\$82,082,000, representing an increase of 53% over the same period last year.

Benefited from Mainland China relatively kept the pandemic under control, and the economy of China remained stable, the Group's metal products, particularly steel wire and steel wire rope products performed well. The production and sales of steel wire and steel wire rope companies in cities including Tianjin, Heshan and Jiangmen, Guangdong Province continued to rise steadily during the period, overall business scale hits record high. However, as a result of a significant increase in the prices of commodities, especially the high raw materials cost of steel, additional cost of raw materials could not be fully transferred to downstream customers, which lowered gross margins for most of the products. The Management focused on controlling operational cost, further increasing the production capabilities of factories, intensifying efforts to develop new market sectors and bringing the impacts of the increase in raw materials on efficiency to its minimum through enhancing the scale of businesses during the period.

## **Building Construction Materials**

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.

During the period, revenue was approximately HK\$1,159,697,000, representing an increase of 58% over the same period last year, and the profit before interest and taxation was approximately HK\$41,790,000, representing an increase of 196% over the same period last year.

Since the second half of last year, Hong Kong construction industry started to recover gradually. Under the atmosphere where all industries were experiencing unprecedented challenges, Hong Kong construction industry remained relatively stable, and the Group's building construction materials business also improved steadily. However, prices of raw materials such as steel, cement and aggregates surged during the period, which increased pressure on the cost of our supply contracts. The Group implemented a series of strict measures, which were committed to stabilize the cost of raw materials and supply chain, strategically ensure the sufficiency of inventories of major raw materials, and guarantee a stable supply to our customers.

During the period, despite low gross margins as a result of the wild swings in raw materials cost, the overall results of the building construction materials business of the Group had a significant improvement over the same period last year and continued to grow. The Group is full of confident in the prospect of the building construction materials business.

## **PROSPECT**

We expected the novel coronavirus (COVID-19) pandemic continues to be a massive uncertainty to global economy in the second half of 2021. Three major challenges pose for the Group in a period of time ahead include the financialization of commodities which causes fluctuation in the prices of various raw materials; disruptions of supply chain and logistics resulting from quarantine measures all over the world during the pandemic; and geopolitics creating uncertainties to investment prospects. The Group will further improve our business portfolio, increase operational efficiency and enhance overall risk resilience.

The Group is confident that, with its own business foundation built over 40 years and dedicating efforts of our experienced and outstanding team, assuming Mainland China and Hong Kong are able to control the pandemic as effective as the first half of the year in the remaining time of the year, the Group's businesses will be able to achieve satisfactory performance.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 30th June, 2021, the total bank balances and cash (excluding bank balances and cash classified as assets held for sale) of the Group amounted to approximately HK\$527,185,000 (31st December, 2020: approximately HK\$403,092,000). As at 30th June, 2021, current ratio (current assets to current liabilities) of the Group was 1.42:1 (31st December, 2020: 1.49:1).

As at 30th June, 2021, the total borrowings of the Group amounted to approximately HK\$1,019,677,000 (31st December, 2020: approximately HK\$691,766,000).

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 period, there was no material change to the capital structure of the Company. The number of the Company's ordinary shares in issue as at 30th June, 2021 was 574,378,128 (31st December, 2020: 574,378,128).

As at 30th June, 2021, the equity attributable to the shareholders of the Company amounted to approximately HK\$1,080,109,000 (31st December, 2020: approximately HK\$1,016,887,000).

As at 30th June, 2021, net gearing ratio (total borrowings minus bank balances and cash to total equity) was 0.42:1 (31st December, 2020: 0.26:1).

## **EMPLOYMENT AND REMUNERATION POLICY**

As at 30th June, 2021, the total number of staff of the Group was 1,553. Remuneration is determined with reference to the performance, qualifications and experience of the employees concerned and the prevailing industry practice. The Group provides Mandatory Provident Fund entitlement to Hong Kong's employees. Moreover, share options may be granted as an incentive or reward to eligible employees in accordance with the share option scheme adopted on 5th June, 2014.

## **CORPORATE GOVERNANCE**

The Group is committed to the 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 throughout the six months ended 30th June, 2021 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 MH currently holds both positions. As the board of directors (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.

## **AUDIT COMMITTEE**

The Company established its Audit Committee on 5th January, 1999 with written terms of reference which are in line with the CG Code. The Audit Committee comprises three Independent Non-executive Directors namely Mr. Yu Kwok Kan, Stephen, Mr. Chan Yat Yan and Mr. Hai Tuen Tai, Freddie.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30th June, 2021. The financial information contained in this announcement is unaudited, the disclosure of which has complied with Appendix 16 to the Listing Rules.

## **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 during the six months ended 30th June, 2021.

## **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, 2021.

## **INTERIM DIVIDEND**

The Board has declared an interim dividend of HK2.0 cents per share amounting to approximately HK11,488,000 for the six months ended 30th June, 2021 (2020 interim dividend: Nil) which are expected to be payable on 29th October, 2021 to the shareholders of the Company whose names appear in the register of members of the Company on 13th October, 2021.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 11th October, 2021 to 13th October, 2021 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for entitlement to the interim dividend for the six months ended 30th June, 2021, all transfer 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 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 8th October, 2021.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This interim results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.golik.com](http://www.golik.com)). The 2021 interim 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.

By Order of the Board  
**Golik Holdings Limited**  
**Pang Tak Chung MH**  
*Chairman*

Hong Kong, 27th August, 2021

As at the date of this announcement, the Board comprises:

*Executive Directors:*

Mr. Pang Tak Chung MH, Mr. Ho Wai Yu, Sammy,  
Ms. Pang Wan Ping and Mr. Pang Chi To

*Independent Non-executive Directors:*

Mr. Yu Kwok Kan, Stephen, Mr. Chan Yat Yan  
and Mr. Hai Tuen Tai, Freddie