

**GOLIK**  
HOLDINGS LIMITED

**2024**

**INTERIM REPORT**

Incorporated in Bermuda  
with limited liability  
Stock Code: 1118

**CORPORATE INFORMATION****BOARD OF DIRECTORS****Executive Directors**

Mr. PANG Tak Chung MH (*Chairman*)  
Mr. HO Wai Yu, Sammy (*Vice Chairman*)  
Ms. PANG Wan Ping (*Chief Executive Officer*)  
Mr. PANG Chi To

**Independent Non-executive Directors**

Mr. HAI Tuen Tai, Freddie  
Mr. LUK Kam Fan, Jimmy  
Mr. LINN Hon Chung, Ambrose

**COMPANY SECRETARY**

Mr. HO Wai Yu, Sammy

*FCCA MHKCS MHKSI*

**AUDIT COMMITTEE**

Mr. HAI Tuen Tai, Freddie  
Mr. LUK Kam Fan, Jimmy  
Mr. LINN Hon Chung, Ambrose

**REMUNERATION COMMITTEE**

Mr. PANG Tak Chung MH  
Mr. HAI Tuen Tai, Freddie  
Mr. LUK Kam Fan, Jimmy  
Mr. LINN Hon Chung, Ambrose

**NOMINATION COMMITTEE**

Mr. PANG Tak Chung MH (*Chairman*)  
Mr. HAI Tuen Tai, Freddie  
Mr. LUK Kam Fan, Jimmy  
Mr. LINN Hon Chung, Ambrose

**REGISTERED OFFICE**

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

**HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS**

Suite 6505, Central Plaza  
18 Harbour Road  
Wanchai  
Hong Kong

**AUDITOR**

Deloitte Touche Tohmatsu  
*Registered Public Interest Entity Auditors*

**LEGAL ADVISORS**

Loeb & Loeb LLP  
W. K. To & Co.

**PRINCIPAL BANKERS**

Bank of China (Hong Kong) Limited  
DBS Bank (Hong Kong) Limited  
Fubon Bank (Hong Kong) Limited  
Hang Seng Bank Limited  
Standard Chartered Bank (Hong Kong) Limited  
The Bank of East Asia, Limited  
The Hongkong and Shanghai Banking Corporation Limited  
United Overseas Bank Limited

**HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Tricor Secretaries Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

**WEBSITE**

[www.golik.com](http://www.golik.com)

**STOCK CODE**

1118

**INVESTOR RELATION**

[ir@golik.com](mailto:ir@golik.com)

## INTERIM RESULTS

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, 2024 together with the comparative unaudited figures for the corresponding period in 2023 as follows:

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

FOR THE SIX MONTHS ENDED 30TH JUNE, 2024

	NOTES	Six months ended 30th June, 2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Revenue	4	<b>1,728,693</b>	1,961,107
Cost of sales		<b>(1,407,643)</b>	(1,678,508)
Gross profit		<b>321,050</b>	282,599
Other income		<b>12,066</b>	16,901
Selling and distribution costs		<b>(85,551)</b>	(75,109)
Administrative expenses		<b>(100,772)</b>	(90,828)
Impairment losses under expected credit losses (“ECL”) model, net	5	<b>(14,221)</b>	(1,691)
Other gains and losses	6	<b>652</b>	(3,202)
Other expenses		<b>(24,997)</b>	(19,240)
Finance costs		<b>(19,140)</b>	(23,907)
– Interest on bank borrowings		<b>(14,731)</b>	(18,816)
– Interest on lease liabilities		<b>(4,409)</b>	(5,091)
Share of result of a joint venture		–	(124)
Share of result of an associate		<b>456</b>	618
Profit before taxation		<b>89,543</b>	86,017
Income taxes	7	<b>(17,509)</b>	(12,901)
<b>Profit for the period</b>	8	<b>72,034</b>	73,116

Six months ended 30th June,

NOTE	2024	2023
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>

**Other comprehensive (expense) income:**

**Item that may be subsequently reclassified to profit or loss:**

– Exchange difference arising on translation of foreign operations	<b>(4,306)</b>	(18,444)
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**Item that will not be reclassified to profit or loss:**

– Fair value gain on an equity instrument at fair value through other comprehensive income ("FVTOCI")	<b>188</b>	217
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Other comprehensive expense for the period	<b>(4,118)</b>	(18,227)
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**Total comprehensive income for the period**

	<b>67,916</b>	54,889
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Profit for the period attributable to:

Shareholders of the Company	<b>61,554</b>	63,078
Non-controlling interests	<b>10,480</b>	10,038

	<b>72,034</b>	73,116
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Total comprehensive income for the period attributable to:

Shareholders of the Company	<b>58,506</b>	48,916
Non-controlling interests	<b>9,410</b>	5,973

	<b>67,916</b>	54,889
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Basic earnings per share	10	<b>HK10.72 cents</b>	HK10.98 cents
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## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30TH JUNE, 2024

	<i>NOTES</i>	<b>30th June, 2024 HK\$'000 (unaudited)</b>	31st December, 2023 HK\$'000 (audited)
<b>Non-current Assets</b>			
Property, plant and equipment	11	<b>528,065</b>	465,032
Right-of-use assets		<b>176,382</b>	161,238
Interest in a joint venture		–	–
Interest in an associate		–	–
Amount due from an associate		<b>2,933</b>	2,477
Equity instrument at FVTOCI		<b>201</b>	13
Insurance policy assets		<b>7,326</b>	7,226
Rental and other deposits	12	<b>4,578</b>	5,646
Deposits paid for acquisition of property, plant and equipment		<b>2,708</b>	8,226
Loan receivables	12	<b>3,062</b>	1,405
		<b>725,255</b>	651,263
<b>Current Assets</b>			
Inventories		<b>651,094</b>	590,542
Trade, bills, loan and other receivables	12	<b>765,050</b>	1,025,045
Income tax recoverable		–	347
Bank time deposit with maturity over three months		<b>5,478</b>	–
Bank balances and cash		<b>452,548</b>	652,131
		<b>1,874,170</b>	2,268,065

	NOTES	30th June, 2024 HK\$'000 (unaudited)	31st December, 2023 HK\$'000 (audited)
<b>Current Liabilities</b>			
Trade, bills and other payables	13	350,090	402,135
Contract liabilities		16,941	21,101
Lease liabilities		25,880	19,875
Dividend payable	9	20,103	–
Amounts due to non-controlling shareholders		3,200	3,200
Income tax payable		10,861	5,318
Bank borrowings	14	553,865	906,133
		<u>980,940</u>	<u>1,357,762</u>
<b>Net Current Assets</b>		<u>893,230</u>	<u>910,303</u>
		<u>1,618,485</u>	<u>1,561,566</u>
<b>Capital and Reserves</b>			
Share capital	15	57,438	57,438
Share premium and reserves		1,249,495	1,211,092
		<u>1,306,933</u>	<u>1,268,530</u>
Equity attributable to shareholders of the Company		1,306,933	1,268,530
Non-controlling interests		128,007	118,597
		<u>1,434,940</u>	<u>1,387,127</u>
<b>Total Equity</b>		<u>1,434,940</u>	<u>1,387,127</u>
<b>Non-current Liabilities</b>			
Deferred tax liabilities		28,247	27,192
Lease liabilities		155,298	147,247
		<u>183,545</u>	<u>174,439</u>
		<u>1,618,485</u>	<u>1,561,566</u>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30TH JUNE, 2024

	Attributable to shareholders of the Company									
	Share capital HK\$'000	Share premium HK\$'000	Exchange reserve HK\$'000	Mainland China statutory reserve HK\$'000 (Note a)	FVTOCI reserve HK\$'000	Other reserve HK\$'000 (Note b)	Retained profits HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 1st January, 2023 (audited)	57,438	323,195	1,484	44,880	2,006	(21,186)	761,919	1,169,736	108,400	1,278,136
Profit for the period	-	-	-	-	-	-	63,078	63,078	10,038	73,116
<b>Other comprehensive (expense) income for the period</b>										
Exchange difference arising on translation of foreign operations	-	-	(14,379)	-	-	-	-	(14,379)	(4,065)	(18,444)
Fair value gain on an equity instrument at FVTOCI	-	-	-	-	217	-	-	217	-	217
Total comprehensive (expense) income for the period	-	-	(14,379)	-	217	-	63,078	48,916	5,973	54,889
Dividend declared (note 9)	-	-	-	-	-	-	(17,231)	(17,231)	-	(17,231)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(9,750)	(9,750)
At 30th June, 2023 (unaudited)	57,438	323,195	(12,895)	44,880	2,223	(21,186)	807,766	1,201,421	104,623	1,306,044
Profit for the period	-	-	-	-	-	-	75,843	75,843	11,933	87,776
<b>Other comprehensive income (expense) for the period</b>										
Exchange difference arising on translation of foreign operations	-	-	7,836	-	-	-	-	7,836	2,127	9,963
Fair value loss on an equity instrument at FVTOCI	-	-	-	-	(2,210)	-	-	(2,210)	-	(2,210)
Total comprehensive income (expense) for the period	-	-	7,836	-	(2,210)	-	75,843	81,469	14,060	95,529

Attributable to shareholders of the Company

	Share capital HK\$'000	Share premium HK\$'000	Exchange reserve HK\$'000	Mainland China statutory reserve HK\$'000 (Note a)	FVTOCI reserve HK\$'000	Other reserve HK\$'000 (Note b)	Retained profits HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
Dividend declared (note 9)	-	-	-	-	-	-	(14,360)	(14,360)	-	(14,360)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	(86)	(86)
Transfer between reserves	-	-	-	1,665	-	-	(1,665)	-	-	-
At 31st December, 2023 (audited)	57,438	323,195	(5,059)	46,545	13	(21,186)	867,584	1,268,530	118,597	1,387,127
Profit for the period	-	-	-	-	-	-	61,554	61,554	10,480	72,034
<b>Other comprehensive (expense) income for the period</b>										
Exchange difference arising on translation of foreign operations	-	-	(3,236)	-	-	-	-	(3,236)	(1,070)	(4,306)
Fair value gain on an equity instrument at FVTOCI	-	-	-	-	188	-	-	188	-	188
Total comprehensive (expense) income for the period	-	-	(3,236)	-	188	-	61,554	58,506	9,410	67,916
Dividend declared (note 9)	-	-	-	-	-	-	(20,103)	(20,103)	-	(20,103)
<b>At 30th June, 2024 (unaudited)</b>	<b>57,438</b>	<b>323,195</b>	<b>(8,295)</b>	<b>46,545</b>	<b>201</b>	<b>(21,186)</b>	<b>909,035</b>	<b>1,306,933</b>	<b>128,007</b>	<b>1,434,940</b>

Notes:

- (a) Mainland China statutory reserve is a reserve required by the relevant laws in Mainland China applicable to the Company's subsidiaries in Mainland China for enterprise development purposes.
- (b) Other reserve represented:
  - (i) adjustments arising from acquisition of additional interests in subsidiaries of HK\$21,208,000 and deemed disposal of part interest in a subsidiary of HK\$599,000.
  - (ii) deemed contribution arising from waiver amount due to a former non-controlling shareholder of HK\$621,000 incidental to acquisition of additional interest in a subsidiary.



## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30TH JUNE, 2024

	<b>Six months ended 30th June,</b>	
	<b>2024</b>	<b>2023</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>907,386</b>	<b>1,100,512</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	<b>(80,419)</b>	(7,821)
Deposits paid for acquisition of property, plant and equipment	<b>(2,548)</b>	(2,227)
Proceeds from disposal of property, plant and equipment	<b>131</b>	322
Placement of bank time deposit	<b>(5,478)</b>	–
Repayment from an associate	<b>2,250</b>	2,250
Receipt of surrender cash value of insurance policy assets	–	6,918
Other investing cash flows	<b>(586)</b>	2,291
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>	<b>(86,650)</b>	<b>1,733</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of trust receipt loans	<b>(960,062)</b>	(1,116,581)
Repayment of bank loans	<b>(52,043)</b>	(55,862)
Repayment of lease liabilities	<b>(10,646)</b>	(17,763)
Interest paid on bank borrowings	<b>(15,080)</b>	(18,313)
Interest paid on lease liabilities	<b>(4,409)</b>	(5,091)
Bank loans raised	<b>23,009</b>	83,679
Dividend paid to non-controlling interests	–	(9,750)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(1,019,231)</b>	<b>(1,139,681)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(198,495)</b>	<b>(37,436)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>652,131</b>	<b>541,569</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>(1,088)</b>	<b>(3,346)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>452,548</b>	<b>500,787</b>
<b>REPRESENTED BY:</b>		
Bank balances and cash	<b>452,548</b>	<b>500,787</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
 FOR THE SIX MONTHS ENDED 30TH JUNE, 2024

**1. GENERAL INFORMATION**

The Company was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company acts as an investment holding company and provides corporate management services. Principal activities of its subsidiaries are manufacturing and sales of metal products and building construction materials. The Company and its subsidiaries collectively called the “Group”.

**2. 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.

**3. PRINCIPAL ACCOUNTING POLICIES**

The condensed consolidated financial statements have been prepared on 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, 2024 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31st December, 2023.

**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 Group’s annual period beginning on 1st January, 2024 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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 new standard nor interpretation that is not yet effective for the current accounting period.

## 4. 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 operations relating to money lending and medical imaging diagnostic centre are presented under other operations.

### Disaggregation of revenue from contracts with customers

For the six months ended 30th June, 2024 (unaudited)

Segments	Metal products <i>HK\$'000</i>	Building construction materials <i>HK\$'000</i>	Other operations <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Sales of goods</b>				
Steel coil processing, steel wires and wire rope products	517,153	–	–	517,153
Concrete products	–	325,993	–	325,993
Construction steel products and processing, and other construction products	–	802,182	–	802,182
<b>Service income</b>				
Processing income	–	47,165	–	47,165
Transportation income	–	36,104	–	36,104
<b>Revenue from contracts with customers</b>	<b>517,153</b>	<b>1,211,444</b>	<b>–</b>	<b>1,728,597</b>
Interest income on money lending	–	–	96	96
<b>Total revenue</b>	<b>517,153</b>	<b>1,211,444</b>	<b>96</b>	<b>1,728,693</b>

For the six months ended 30th June, 2023 (unaudited)

Segments	Metal products HK\$'000	Building construction materials HK\$'000	Other operation HK\$'000	Total HK\$'000
<b>Sales of goods</b>				
Steel coil processing, steel wires and wire rope products	549,967	–	–	549,967
Concrete products	–	301,467	–	301,467
Construction steel products and processing, and other construction products	–	1,037,497	–	1,037,497
<b>Service income</b>				
Processing income	–	35,555	–	35,555
Transportation income	–	36,523	–	36,523
<b>Revenue from contracts with customers</b>				
	549,967	1,411,042	–	1,961,009
Interest income on money lending	–	–	98	98
<b>Total revenue</b>	<b>549,967</b>	<b>1,411,042</b>	<b>98</b>	<b>1,961,107</b>

The Group sells metal products and building construction materials directly to corporate customers. Revenue is recognised when control of the goods has been transferred, being at the point in time when the goods are delivered to the customer's specific location.

The Group also provides processing services to the customers. Income is recognised at the point in time when the services are rendered and the relevant goods are delivered to the customer's specific location.

The Group also provides transportation services to the customers. Income is recognised at the point in time when the services are rendered and the relevant goods are delivered to the customer's specific location.

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, 2024 (unaudited)**

	Metal products <i>HK\$'000</i>	Building construction materials <i>HK\$'000</i>	Reportable segment total <i>HK\$'000</i>	Other operations <i>HK\$'000</i>	Eliminations <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>REVENUE</b>						
External revenue	517,153	1,211,444	1,728,597	96	-	1,728,693
Inter-segment revenue	1,998	39	2,037	-	(2,037)	-
Total	<u>519,151</u>	<u>1,211,483</u>	<u>1,730,634</u>	<u>96</u>	<u>(2,037)</u>	<u>1,728,693</u>
<b>SEGMENT RESULT</b>						
	<u>44,235</u>	<u>78,392</u>	<u>122,627</u>	<u>(3,560)</u>	<u>-</u>	<u>119,067</u>
Unallocated other income and other gains						2,487
Unallocated corporate expenses						(13,327)
Finance costs						(19,140)
- Interest on bank borrowings						(14,731)
- Interest on lease liabilities						(4,409)
Share of result of an associate						456
Profit before taxation						<u>89,543</u>

For the six months ended 30th June, 2023 (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	549,967	1,411,042	1,961,009	98	–	1,961,107
Inter-segment revenue	1,679	72	1,751	–	(1,751)	–
<b>Total</b>	<b>551,646</b>	<b>1,411,114</b>	<b>1,962,760</b>	<b>98</b>	<b>(1,751)</b>	<b>1,961,107</b>
<b>SEGMENT RESULT</b>						
	<b>42,301</b>	<b>77,947</b>	<b>120,248</b>	<b>92</b>	<b>–</b>	<b>120,340</b>
Unallocated other income and other gains						287
Unallocated corporate expenses						(11,197)
Finance costs						(23,907)
– Interest on bank borrowings						(18,816)
– Interest on lease liabilities						(5,091)
Share of result of a joint venture						(124)
Share of result of an associate						618
Profit before taxation						<b>86,017</b>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment result represents the gross profit generated from each segment, net of selling and distribution costs and administrative expenses directly attributable to each segment without allocation of certain other income and other gains, 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.

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

## Geographical information

The Group operates in two principal geographical areas, namely Hong Kong and Mainland China.

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

### For the six months ended 30th June, 2024 (unaudited)

	Metal products <i>HK\$'000</i>	Building construction materials <i>HK\$'000</i>	Other operations <i>HK\$'000</i>	Total <i>HK\$'000</i>
Hong Kong	6,664	1,202,815	96	1,209,575
Mainland China	443,501	6,215	–	449,716
USA	33,822	–	–	33,822
Macau	–	2,379	–	2,379
Others	33,166	35	–	33,201
	<u>517,153</u>	<u>1,211,444</u>	<u>96</u>	<u>1,728,693</u>

For the six months ended 30th June, 2023 (unaudited)

	Metal products <i>HK\$'000</i>	Building construction materials <i>HK\$'000</i>	Other operation <i>HK\$'000</i>	Total <i>HK\$'000</i>
Hong Kong	5,181	1,345,222	98	1,350,501
Mainland China	489,242	10,134	–	499,376
USA	37,031	–	–	37,031
Macau	31	55,686	–	55,717
Others	18,482	–	–	18,482
	<u>549,967</u>	<u>1,411,042</u>	<u>98</u>	<u>1,961,107</u>

## 5. IMPAIRMENT LOSSES UNDER ECL MODEL, NET

	Six months ended 30th June, 2024 <i>HK\$'000</i> (unaudited)	2023 <i>HK\$'000</i> (unaudited)
Net impairment losses (reversal of impairment losses) on:		
– Amount due from an associate	(2,250)	(2,250)
– Trade receivables	16,471	3,941
	<u>14,221</u>	<u>1,691</u>

## 6. OTHER GAINS AND LOSSES

	Six months ended 30th June, 2024 <i>HK\$'000</i> (unaudited)	2023 <i>HK\$'000</i> (unaudited)
Loss on disposal of property, plant and equipment	22	94
Net exchange (gain) loss	(674)	3,108
	<u>(652)</u>	<u>3,202</u>

**7. INCOME TAXES**

**Six months ended 30th June,**  
**2024**                              2023  
**HK\$'000**                              HK\$'000  
**(unaudited)**                              (unaudited)

The charge comprises:

Current period

Hong Kong Profits Tax	<b>6,950</b>	4,613
Mainland China Enterprise Income Tax	<b>6,552</b>	6,920
Withholding tax paid for distributed profits in Mainland China	–	1,184
	<b><u>13,502</u></b>	<u>12,717</u>

Underprovision in prior years

Mainland China Enterprise Income Tax	<b>2,952</b>	184
	<b><u>2,952</u></b>	<u>184</u>

Deferred taxation

	<b>1,055</b>	–
	<b><u>1,055</u></b>	<u>–</u>
	<b><u>17,509</u></b>	<u>12,901</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of taxable profits of 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 group entities 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 Mainland China subsidiaries is 25% for both periods. In addition, one Mainland China subsidiary of the Company in Tianjin was qualified as ‘‘High-tech Enterprise’’ and subject to an Enterprise Income Tax Rate of 15%, which was granted for three years starting from 2022. Another three Mainland China 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 Mainland China entities held by companies incorporated in certain places, including Hong Kong, preferential tax rate of 5% will be applied according to EIT Law if such companies are the beneficial owner of over 25% of these Mainland China entities.

The EIT Law requires withholding tax to be levied on distribution of profits earned by a Mainland China 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, 2024 and 31st December, 2023, deferred tax was provided in full in respect of the temporary differences attributable to such profits.



## 8. PROFIT FOR THE PERIOD

<b>Six months ended 30th June,</b>	
<b>2024</b>	<b>2023</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>24,107</b>	20,127
Depreciation of right-of-use assets	<b>14,213</b>	19,609
Net decrease of inventories provision (included in cost of sales)	<b>(4,978)</b>	(3,956)

## 9. DIVIDEND

During the current period, a final dividend of HK3.5 cents per share in respect of the year ended 31st December, 2023 (six months ended 30th June, 2023: final dividend of HK3.0 cents per share in respect of the year ended 31st December, 2022) was declared. The aggregate amount of the final dividend payable at the current period end amounted to HK\$20,103,000 (at 30th June, 2023: HK\$17,231,000).

Subsequent to the end of the current period, the directors have determined that an interim dividend of HK2.5 cents per share amounting to HK\$14,359,000 (six months ended 30th June, 2023: HK2.5 cents per share amounting to HK\$14,359,000) will be paid to the shareholders of the Company whose names appear in the register of members of the Company on 9th October, 2024.

## 10. 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 HK\$61,554,000 (six months ended 30th June, 2023: HK\$63,078,000) and 574,378,128 (six months ended 30th June, 2023: 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.

## 11. PROPERTY, PLANT AND EQUIPMENT

During the current period, the Group acquired property, plant and equipment of HK\$88,711,000 (six months ended 30th June, 2023: HK\$10,401,000) in order to expand its manufacturing capabilities and set up a new medical imaging diagnostic centre.

During the current period, the Group disposed property, plant and equipment of HK\$153,000 (six months ended 30th June, 2023: HK\$416,000).

**12. RENTAL AND OTHER DEPOSITS, TRADE, BILLS, LOAN AND OTHER RECEIVABLES**

	<b>30th June, 2024</b>	31st December, 2023
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(audited)
Trade receivables	<b>760,350</b>	974,262
Less: Impairment losses under ECL model	<b>(77,239)</b>	(60,924)
	<b>683,111</b>	913,338
Bills receivables	<b>15,989</b>	11,269
Loan receivables	<b>4,537</b>	2,929
Less: Impairment losses under ECL model	<b>(550)</b>	(550)
	<b>3,987</b>	2,379
Prepayments	<b>36,961</b>	58,608
Rental and other deposits	<b>28,689</b>	27,841
Other receivables	<b>25,350</b>	40,095
Less: Impairment losses under ECL model	<b>(21,397)</b>	(21,434)
	<b>69,603</b>	105,110
Total trade, bills, loan and other receivables	<b>772,690</b>	1,032,096
Analysed for reporting purpose as:		
Current	<b>765,050</b>	1,025,045
Non-current – Loan receivables, net	<b>3,062</b>	1,405
Non-current – Rental and other deposits	<b>4,578</b>	5,646
	<b>772,690</b>	1,032,096

Other than cash sales, the Group allows credit periods ranging from 30 to 180 days (31st December, 2023: 30 to 180 days) to its customers.

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

	<b>30th June, 2024</b>	31st December, 2023
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(audited)
0 – 30 days	<b>303,722</b>	391,725
31 – 60 days	<b>179,739</b>	318,254
61 – 90 days	<b>101,932</b>	126,525
91 – 120 days	<b>39,384</b>	45,593
More than 120 days	<b>74,323</b>	42,510
	<b>699,100</b>	924,607

The management of the Group assesses trade debtors with significant balances that are credit-impaired individually and the remaining trade receivables using collective assessment with reference to loss patterns as reflected in the debtors' historical payment pattern taking into consideration of quantitative, qualitative and forward-looking information that is reasonable and supportable available without undue cost or effort.

Net loan receivables with ageing analysis presented below per maturity dates:

	<b>30th June, 2024</b>	31st December, 2023
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(audited)
Not due yet	<b>3,987</b>	2,379
Overdue	–	–
	<b>3,987</b>	2,379

The management of the Group estimates the estimated loss rates of loan receivables based on historical credit loss experience of the debtors as well as the fair value of the collaterals pledged to the loan receivables.

### 13. TRADE, BILLS AND OTHER PAYABLES

	<b>30th June, 2024</b>	31st December, 2023
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(audited)
Trade payables	<b>210,952</b>	252,165
Bills payables	–	9,380
Accruals	<b>94,669</b>	99,121
Deposits received	<b>15,114</b>	14,288
Other payables	<b>29,355</b>	27,181
	<b>350,090</b>	402,135

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

	<b>30th June, 2024 HK\$'000 (unaudited)</b>	31st December, 2023 HK\$'000 (audited)
0 – 30 days	<b>144,274</b>	162,680
31 – 60 days	<b>38,659</b>	55,144
61 – 90 days	<b>13,209</b>	21,835
91 – 120 days	<b>7,938</b>	15,584
More than 120 days	<b>6,872</b>	6,302
	<b><u>210,952</u></b>	<u>261,545</u>

#### 14. BANK BORROWINGS

During the current period, the Group raised bank loans of HK\$23,009,000 (six months ended 30th June, 2023: HK\$83,679,000), and repaid bank loans and trust receipt loans of HK\$52,043,000 and HK\$960,062,000 (six months ended 30th June, 2023: HK\$55,862,000 and HK\$1,116,581,000) respectively. All new bank borrowings raised during the current period are unsecured and with corporate guarantee from the Group's companies. The bank borrowings at the end of the reporting period bear interest at market rates with effective borrowing rates ranging from 2.40% to 6.06% (31st December, 2023: 2.40% to 7.33%) per annum.

#### 15. SHARE CAPITAL

	<b>Number of shares</b>	<b>Amount HK\$'000</b>
<b>Ordinary shares of HK\$0.10 each</b>		
<b>Authorised:</b>		
At 1st January, 2023, 30th June, 2023, 31st December, 2023 and 30th June, 2024	<u>1,800,000,000</u>	<u>180,000</u>
<b>Issued and fully paid:</b>		
At 1st January, 2023, 30th June, 2023, 31st December, 2023 and 30th June, 2024	<u>574,378,128</u>	<u>57,438</u>

## 16. CAPITAL COMMITMENTS

<b>30th June, 2024</b>	31st December, 2023
<b>HK\$'000</b>	HK\$'000
<b>(unaudited)</b>	(audited)

Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements

<b>9,575</b>	<b>86,074</b>
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## 17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

### Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	30th June, 2024 HK\$'000 (unaudited)	31st December, 2023 HK\$'000 (audited)			
Equity instrument at FVTOCI	<b>201</b>	13	Level 1	Quoted bid prices from a Frankfurt Stock Exchange	N/A
Insurance policy assets	<b>7,326</b>	7,226	Level 3	Quoted cash value from insurance contract vendors	Accounts value less surrender charges

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

**18. RELATED PARTY DISCLOSURES**

During the period, the Group entered into the following transactions with its related party:

Relationship	Nature of transactions	Six months ended 30th June,	
		2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
An associate	Expense relating to short-term leases	<b>7,079</b>	6,074
	Interest income	<b>241</b>	260

The gross amount due from an associate of HK\$11,475,000 (31st December, 2023: HK\$13,725,000), which is unsecured, carries interest at 2% below the best lending rate as quoted by The Hongkong and Shanghai Banking Corporation Limited per annum and is repayable in 2025. The remaining balance of HK\$19,000 is unsecured and interest free.

**Compensation of key management personnels**

During the period, the Group's remuneration paid to the directors, the key management personnel of the Group, are as follows:

	Six months ended 30th June,	
	2024 HK\$'000 (unaudited)	2023 HK\$'000 (unaudited)
Short-term employee benefits	<b>13,978</b>	12,673
Post-employment benefits	<b>104</b>	96
	<b>14,082</b>	12,769

**19. NON-CASH TRANSACTIONS**

During the period, trust receipt loans raised under supply chain financing arrangements of HK\$637,265,000 (six months ended 30th June, 2023: HK\$847,086,000) represent the payments to suppliers by relevant banks directly.

During the period, the Group entered into new lease agreements for use of leased factories, staff quarters and medical imaging diagnostic centre and equipment for 2 to 5 years and, the Group recognised right-of-use assets and lease liabilities of HK\$26,027,000 and HK\$25,758,000. (six months ended 30th June, 2023, no new lease agreement more than one year was taken up by the Group).

## BUSINESS REVIEW

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

For the six months ended 30th June, 2024, the Group's total revenue was approximately HK\$1,728,693,000, representing a decrease of 12% over the same period last year. The decrease in revenue was mainly attributable to the drop of delivery volumes in our building construction materials business in Hong Kong as compared to the same period last year due to a number of objective factors.

After deduction of profit attributable to non-controlling interests, profit attributable to shareholders of the Company amounted to approximately HK\$61,554,000, representing a decrease of 2% over the same period last year.

During the period under review, the pace of economic recovery was uncertain, with the economies of Hong Kong and Mainland China being challenged by geopolitical tensions, the continuing downturn in the real estate market, insufficient demand for manufacturing products and even a further decline in market confidence. The Group's business strategy of seeking progress while maintaining stability and maximizing the effectiveness of its operations during the period was able to maintain stable results in the face of a complex and volatile macro-environment, with the overall performance of the two major core businesses remaining broadly in line with the same period last year.

### **Metal Products**

The business currently consists of steel wires and steel wire rope products operated in Tianjin, Heshan and Jiangmen in Mainland China. During the period, revenue was approximately HK\$519,151,000, representing a decrease of 6% over the same period last year, and profit before interest and taxation was approximately HK\$44,235,000, representing an increase of 5% over the same period last year.

The Mainland China's manufacturing industry still faces the challenges of insufficient demand and intensified market competition during the period, especially as the real estate industry continues to be sluggish, with the volume of housing construction having dropped by more than half compared with the peak period, and orders from ancillary construction machinery and elevator manufacturers have dropped significantly, which has also affected the Group's wire rope business to a certain extent. During the period, the Group's efforts in developing the export market for wire ropes and the repair and maintenance market for elevator wire ropes yielded good results, effectively compensating for the loss of business due to the decline in demand from elevator OEM (original equipment manufacturer) manufacturers. However, competition in the steel wire rope market further intensified, resulting in pressure on product margins. During the period, the Group continued to review and reduce various costs, and through the unremitting efforts of the team, the profitability of metal products for the period was maintained at the same level as the same period last year.

### **Building Construction Materials**

The business currently consists 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\$1,211,483,000, representing a decrease of 14% over the same period last year, and profit before interest and taxation was approximately HK\$78,392,000, which was maintained at the level of the same period last year.

Revenue from the building construction materials business for the period decreased as compared with that of the same period last year, mainly due to the extreme weather conditions in Hong Kong in the first half of the year, where the number of days with rainfall and the amount of rainfall were much higher than normal, which affected the progress of construction works and reduced the delivery of building construction materials. In addition, the entry of several new investors into the business, resulting in increased competition in the market has also contributed to the drop of revenue in the business. In sight of this, the Group's operating strategy is to focus on the provision of high-quality value-added services to our customers rather than engaging in low-end cut-throat competition in the pursuit of volume, and to avoid operational risks as far as possible.



# GOLIK

The Group's "off-site cut-and-bend steel processing" business, which has been in operation for more than a decade, has been recognized by the Hong Kong construction industry and the government's public works department for its ability to significantly improve the safety and working environment of construction sites and to reduce the workload of bar benders. With steady growth in business volume, the Group will further increase its investment in this area of business.

During the period, the ready mixed concrete and precast concrete business remained stable. In line with the government's efforts to improve the environment in the Yau Tong area, the Group plans to vacate the rented concrete plant in Yau Tong early next year. Recently, an additional ready mixed concrete production line has been set up in Sheung Shui, New Territories, which will have a complementary effect with the Group's existing ready mixed concrete plant in Yuen Long to serve the future "Northern Metropolis" construction project.

The building construction materials business in Hong Kong still faces challenges, including the sluggish real estate market, the cautious attitude of private developers towards the development of new projects, and the government's slowdown in approving and investing in new infrastructure projects in order to tackle the fiscal deficit. On the other hand, there are also a few new investors joining in the competition, and it is necessary for the Group to further strengthen its market competitiveness in the building construction materials sector. The Group remains confident and optimistic about the long-term development of the building construction materials business.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 30th June, 2024, the total bank balances and cash of the Group amounted to approximately HK\$452,548,000 (31st December, 2023: approximately HK\$652,131,000). As at 30th June, 2024, current ratio (current assets to current liabilities) of the Group was 1.91:1 (31st December, 2023: 1.67:1).

As at 30th June, 2024, the total borrowings of the Group amounted to approximately HK\$553,865,000 (31st December, 2023: approximately HK\$906,133,000).

As at 30th June, 2024, capital commitments contracted in respect of acquisition for property, plant and equipment for the Group amounted to approximately HK\$9,575,000 (31st December, 2023: approximately HK\$86,074,000), funding for the capital commitments will be generated mainly from internal resources.

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, 2024 was 574,378,128 (31st December, 2023: 574,378,128).

As at 30th June, 2024, the equity attributable to the shareholders of the Company amounted to approximately HK\$1,306,933,000 (31st December, 2023: approximately HK\$1,268,530,000).

As at 30th June, 2024, net gearing ratio (total borrowings minus bank balances and cash to total equity) was 0.07:1 (31st December, 2023: 0.18:1).

## EMPLOYMENT AND REMUNERATION POLICY

As at 30th June, 2024, the total number of staff of the Group was 1,469. 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 new share option scheme adopted on 14th June, 2024. Details of the new share option scheme are set out in the circular of the Company dated 29th April, 2024.

## PROSPECT

It is expected that the economic outlook of Mainland China and Hong Kong will continue to be challenging for a period of time in the future. Negative factors such as downturn in the real estate market, sluggish demand in the manufacturing market and fierce competition in the peer group market will not be alleviated within a short period of time, and the Group will continue to maintain its prudent business strategies to avoid risks and to continuously improve and enhance the competitiveness of its own business. The Group is confident that, through its tireless efforts, the annual results of its two major core businesses will remain stable.

In order to seek sustainable development opportunities in different areas, the Group has invested in the establishment of a medical imaging centre including CT, MRI and PET-CT scanning services during the period. Good progress has been made and the renovation has been completed according to the planned schedule, with the completion of equipment installation and equipment having tested successfully, and most of the required professional licenses of the medical imaging centre have been approved and the medical staff of the medical center are basically in place, the center is expected to be put into services before the end of the year.

With the improvement of living conditions and the growing emphasis on medical and healthcare, there is a growing demand for premium medical imaging services. The Group believes that this investment will provide the Group with an alternative to the traditional manufacturing industry, and that it will not only bring benefits to shareholders but will also help the community. The medical imaging centre is expected to start generating steady revenue for the Group in the second half of 2025.

**DIRECTORS’ INTERESTS IN SECURITIES**

As at 30th June, 2024, the interests and short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)), as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules were as follows:

**(1) Long position**

***Shares of the Company***

Name of directors	Number of ordinary shares		Total	Percentage of issued shares
	Personal interests (held as beneficial owner)	Corporate interests (held by controlled corporation)		
Mr. Pang Tak Chung MH (Note)	163,928,082	201,666,392	365,594,474	63.65%
Mr. Ho Wai Yu, Sammy	2,000	–	2,000	0.00%

Note: The 201,666,392 shares are held by Golik Investments Ltd. which is wholly owned by Mr. Pang Tak Chung MH.

***Share options***

The share option scheme was adopted by the Company on 5th June, 2014 and expired on 4th June, 2024. The new share option scheme was adopted by the Company at the annual general meeting on 14th June, 2024. It will be valid for 10 years until 13th June, 2034. During the period, no share option had been granted under the said share option Schemes.

**(2) Shares in subsidiaries**

As at 30th June, 2024, Mr. Pang Tak Chung MH had 5,850 non-voting deferred shares in Golik Metal Industrial Company Limited.

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Save as disclosed above, as at 30th June, 2024, none of the directors and chief executive of the Company or their respective associates had or was deemed to have any interests or short positions in any securities of the Company or any of its associated corporations and at no time during the period, had any interest in, or had been granted, or exercised, any right to subscribe for shares (or warrants or debentures, if applicable) of the Company or any of its associated corporations.

## SUBSTANTIAL SHAREHOLDER

As at 30th June, 2024, so far as known to any directors of the Company, the following person (other than a director or chief executive of the Company), was recorded in the register required to be kept by the Company under Section 336 of the SFO or as otherwise notified to the Company, as being, directly or indirectly, interested or deemed to be interested in 5% or more of the issued share capital of the Company:

### Long position in shares of the Company

<b>Name</b>	<b>Number of ordinary shares held</b>	<b>Percentage of issued shares</b>
Golik Investments Ltd.	201,666,392	35.11%

Save as disclosed above, the directors are not aware of any other person (other than a director or chief executive of the Company) who, as at 30th June, 2024, had any interests or short positions in the shares or underlying shares of the Company of 5% or more which would fall to be disclosed pursuant to Part XV of the SFO, or as recorded in the register required to be kept by the Company under Section 336 of the SFO.

## CORPORATE GOVERNANCE

The Group is committed to maintain a good standard of corporate governance practices and procedures to safeguard the interests of the shareholders and enhance the performance of the Group.

The Group has complied with all the applicable code provisions set out in the Corporate Governance Code (the "CG Code") as stated in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") throughout the six months ended 30th June 2024, except for the deviations as disclosed in this report.

## **CHANGES IN DIRECTORS' INFORMATION**

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in directors' information since the date of 2023 Annual Report of the Company are set out below:

1. With effect from 1st March, 2024, the monthly salary of Mr. Pang Tak Chung MH, the chairman of the Company, has been increased by HK\$20,000.
2. With effect from 1st March, 2024, the monthly salary of Mr. Ho Wai Yu, Sammy, the vice chairman of the Company, has been increased by HK\$20,000.
3. With effect from 1st March, 2024, the monthly salary of Ms. Pang Wan Ping, the chief executive officer of the Company, has been increased by HK\$10,000.
4. With effect from 1st March 2024, the monthly salary of Mr. Pang Chi To, an executive director of the Company, has been increased by HK\$6,000.

Save as disclosed above, the Company is not aware of other information which is required to be disclosed under Rule 13.51B(1) of the Listing Rules.

## **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 and available on the Company's website. The audit committee comprises three independent non-executive directors namely Mr. Hai Tuen Tai, Freddie, Mr. Luk Kam Fan, Jimmy and Mr. Linn Hon Chung, Ambrose.

The audit committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30th June, 2024. The financial information contained in this interim report is unaudited, the disclosure of which has complied with Appendix 16 to the Listing Rules.

## **REMUNERATION COMMITTEE**

The Company established its remuneration committee on 21st April, 2005 with written terms of reference which are in line with the CG Code and available on the Company's website. The remuneration committee comprises one executive director namely Mr. Pang Tak Chung MH and three independent non-executive directors namely Mr. Hai Tuen Tai, Freddie, Mr. Luk Kam Fan, Jimmy and Mr. Linn Hon Chung, Ambrose.

## NOMINATION COMMITTEE

The Company established its nomination committee on 30th December, 2021 with written terms of reference which are in line with CG Code and available on the Company's website. The nomination committee comprises one executive director namely Mr. Pang Tak Chung 潘國興 and three independent non-executive directors namely Mr. Hai Tuen Tai, Freddie, Mr. Luk Kam Fan, Jimmy and Mr. Linn Hon Chung, Ambrose. Mr. Pang Tak Chung 潘國興 is the chairman of the nomination committee.

## 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 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, 2024.

## 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, 2024.

## ACKNOWLEDGEMENT

I personally take this opportunity to sincerely thank each employee and management staff of the Group in abundance for their past efforts and contributions, and would also like to thank the Group's shareholders, customers, banks and business associates for their long-term support. With everyone's concerted effort, the Group endeavors to achieve even better results in the second half of the year.

By Order of the Board

**Pang Tak Chung 潘國興**

*Chairman*

Hong Kong, 27th August, 2024