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GOLIK
GOLIK HOLDINGS LIMITED
高力集團有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1118)

SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO THE ANNUAL REPORT OF THE COMPANY
FOR THE YEAR ENDED 31 DECEMBER 2022

Reference is made to the annual report of Golik Holdings Limited (the “**Company**”, together with its subsidiaries, collectively called the “**Group**”) for the year ended 31 December 2022, published by the Company on 27 April 2023 (the “**2022 Annual Report**”). Capitalized terms used in this announcement shall have the same meaning as those defined in the 2022 Annual Report, unless the context otherwise requires.

In addition to the relevant information disclosed in the 2022 Annual Report, the Company wishes to provide additional information with respect to the money lending business of the Group, as follows:

BUSINESS MODEL

The Group holds a money lender license in Hong Kong pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and provides loan facilities to business associates referred by member companies of the Group. The Group gains interest income from provision of such loan facilities through a wholly owned subsidiary of the Company, Golik Capital Limited (“**Golik Capital**”).

1. Loan Outstanding under Money Lending Business of the Group

The following table shows the Group’s loan receivables as at 31 December 2022 in the book of Golik Capital categorized by natures of relevant loans:

<u>Loans by Natures</u>	<u>Loan principal as at 31 December 2022</u>	<u>Interest rate per annum</u>	<u>% of total loan principal as at 31 December 2022</u>
	HK\$’000	%	%
Installment loans, with collaterals	3,457	2.46-5.02	86.27
Loan, with personal guarantee	550	6.00	13.73
Total loan receivables	4,007		100.00
Less: Impairment losses under ECL model	(550)		
Net loan receivables	3,457		

2. Risk Control and Management Policies

The Group has adopted and followed a series of control procedures to regulate Golik Capital's money lending business to ensure comprehensive risk control and management in all money lending transactions so as to safeguard the interest of the Company and its shareholders. Key internal controls adopted in this connection by the Golik Capital include know your client verification, assessment against individual credit risk, proper internal credit approval and ongoing monitoring loan recoverability as follows:

- (1) check and verify background for each loan applicant, such as to obtain comment from the loan applicant's referrer, ask required identity documents and search other information legally available in the market as possible;
- (2) obtain credit report in respect of loan applicant's historical payment default, if any;
- (3) obtain original collateral's document for all secured loans to be applied;
- (4) verify authenticity as possible for all information provided by loan applicant; and
- (5) ready all documents along with an inhouse document check list, propose loan's amount for loan applicant with concluded comment from findings for internal official approval.

To minimize the Group's exposure from credit and management risk, Golik Capital would conduct regular review on each loan's performance against relevant repayment and settlement so that loan's periodical collection could be monitored and recoverability could be ensured, in case unusual loanee's practice found, identify relevant potential risks/problems of the loanee and take corresponding suitable measures as possible. Golik Capital would also periodically conduct relevant checks for loanees and loanees' guarantors against periodical guidelines, notices and sanction lists (if any) circulated by the Hong Kong Companies Registry to ensure compliance with relevant requirements and regulations under the Anti-Money Laundering and Counter-Terrorist Financing Ordinance of Hong Kong.

AGEING ANALYSIS OF THE OUTSTANDING LOANS

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

	As at <u>31 December 2022</u> HK\$'000
Not due yet	3,457
Overdue	-
	<hr/> <u>3,457</u> <hr/>

The procedure performed by the Group in calculating the expected credit loss are disclosed in note 39 (f) to the consolidated financial statements of the 2022 Annual Report.

The above additional information does not affect other information contained in the 2022 Annual Report and save as disclosed above, all other information contained in the 2022 Annual Report remains unchanged.

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

Hong Kong, 15 August 2023

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. Hai Tuen Tai Freddie, Mr. Luk Kam Fan Jimmy and
Mr. Linn Hon Chung Ambrose

* *For identification purpose only*