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JOLIMARK HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2028)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2015

UNAUDITED CONSOLIDATED RESULTS

The board (the “Board”) of directors (the “Directors”) of Jolimark Holdings Limited (the “Company”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2015, together with the comparative figures for the corresponding period of last year as follows:

Condensed Consolidated Interim Income Statement

	<i>Note</i>	Six months ended 30 June	
		2015	2014
		Unaudited	Unaudited
		RMB'000	RMB'000
Revenue	4	209,509	260,247
Cost of goods sold		<u>(126,752)</u>	<u>(175,951)</u>
Gross profit		82,757	84,296
Other income		6,659	5,328
Selling and marketing costs		(14,106)	(13,378)
Administrative expenses		(23,723)	(19,408)
Research and development expenses		(12,020)	(10,274)
Other gains/(losses) — net	5	<u>24,947</u>	<u>(290)</u>
Operating profit		64,514	46,274
Finance costs — net		(1,245)	(1,628)
Share of losses of an associate		<u>(2)</u>	<u>(11)</u>
Profit before income tax		63,267	44,635
Income tax expenses	6	<u>(13,358)</u>	<u>(8,350)</u>
Profit for the period		<u>49,909</u>	<u>36,285</u>

	<i>Note</i>	Six months ended 30 June	
		2015	2014
		Unaudited	Unaudited
		RMB'000	RMB'000
Profit attributable to:			
— Shareholders of the Company		49,906	36,271
— Non-controlling interests		<u>3</u>	<u>14</u>
		<u>49,909</u>	<u>36,285</u>
Earnings per share for profit attributable to			
the shareholders of the Company during the period			
(expressed in RMB per share)			
— Basic	7	<u>0.084</u>	<u>0.065</u>
— Diluted	7	<u>0.083</u>	<u>0.065</u>

Condensed Consolidated Interim Statement of Comprehensive Income

	Six months ended 30 June	
	2015	2014
	Unaudited	Unaudited
	<i>RMB'000</i>	<i>RMB'000</i>
Profit for the period	49,909	36,285
Other comprehensive income for the period	<u>—</u>	<u>—</u>
Total comprehensive income for the period	<u>49,909</u>	<u>36,285</u>
Total comprehensive income for the period attributable to:		
— Shareholders of the Company	49,906	36,271
— Non-controlling interests	<u>3</u>	<u>14</u>
	<u>49,909</u>	<u>36,285</u>

Condensed Consolidated Interim Balance Sheet

		As at	
	Note	30 June 2015 Unaudited RMB'000	31 December 2014 Audited RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment		90,416	91,985
Land use rights		9,022	9,166
Intangible assets		9,549	8,730
Investments accounted for using the equity method		86	89
Available-for-sale financial assets		4,480	4,480
Deferred income tax assets		499	560
Restricted cash		<u>30,100</u>	<u>30,100</u>
Total non-current assets		<u>144,152</u>	<u>145,110</u>
Current assets			
Inventories		104,859	95,917
Trade and other receivables	9	26,571	43,563
Financial assets at fair value through profit or loss		8,955	8,779
Structured deposits in a bank		—	30,000
Restricted cash		291	60,390
Cash and cash equivalents		<u>265,558</u>	<u>223,645</u>
Total current assets		<u>406,234</u>	<u>462,294</u>
Total assets		<u>550,386</u>	<u>607,404</u>
EQUITY			
Capital and reserves attributable to shareholders of the Company			
Share capital and premium		141,702	102,806
Other reserves		219,102	217,428
Retained earnings			
— Proposed dividend	8	28,048	50,000
— Unappropriated retained earnings		<u>40,010</u>	<u>18,453</u>
		<u>428,862</u>	<u>388,687</u>
Non-controlling interests		<u>78</u>	<u>75</u>
Total equity		<u>428,940</u>	<u>388,762</u>

		As at	
	<i>Note</i>	30 June 2015 Unaudited RMB'000	31 December 2014 Audited RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings		<u>27,885</u>	<u>27,896</u>
Current liabilities			
Trade and other payables	10	86,188	100,432
Current income tax liabilities		7,373	6,715
Borrowings		<u>—</u>	<u>83,599</u>
		<u>93,561</u>	<u>190,746</u>
Total liabilities		<u>121,446</u>	<u>218,642</u>
Total equity and liabilities		<u>550,386</u>	<u>607,404</u>
Net current assets		<u>312,673</u>	<u>271,548</u>
Total assets less current liabilities		<u>456,825</u>	<u>416,658</u>

Notes

1. GENERAL INFORMATION

- (a) Jolimark Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 22 July 2004 as an exempted company with limited liability under the Companies Law (2003 Revision) of the Cayman Islands. The address of its registered offices is Clifton House, 75 Fort Street, PO Box 1350 GT, George Town, Grand Cayman, Cayman Islands.
- (b) The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the “Group”) are manufacture and sale of printers, tax control equipment and other electronic products manufacturing in the People’s Republic of China (the “PRC”).
- (c) The Company had its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 29 June 2005.
- (d) The condensed consolidated interim financial information was approved for issue by the Board of Directors of the Company on 21 August 2015.
- (e) This condensed consolidated interim financial information has not been audited.

2. BASIS OF PREPARATION

The condensed consolidated interim financial information for the six months ended 30 June 2015 has been prepared in accordance with Hong Kong Accounting Standard 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRS”).

3. ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2014, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) Effect of adopting new standard and amendments to standards

The following standards have been adopted by the Group for the first time for the year begin on or after on 1 January 2015. The adoption of these new and amended standards and interpretations does not have significant impact to the results or financial position of the Group.

HKAS 19 (Amendment)
HKFRS (Amendment)

Defined benefit plans: Employee contribution
Annual improvements 2012 and 2013

(b) New and amended standards and interpretations issued but are not effective for six months ended 30 June 2015 and have not been early adopted by the Group

		Effective for annual periods beginning on or after
HKFRS 14	Regulatory Deferral Accounts	1 January 2016
HKAS 11 (Amendment)	Accounting for acquisitions of interests in joint operation	1 January 2016
HKAS 16 (Amendment) and HKAS 38 (Amendment)	Clarification of acceptable methods of depreciation and amortization	1 January 2016
HKAS 16 (Amendment) and HKAS 41 (Amendment)	Agriculture: bearer plants	1 January 2016
HKFRS 10 (Amendment) and HKAS 28 (Amendment)	Sale or contribution of assets between an investor and its associate or joint venture	1 January 2016
HKAS 27 (Amendment)	Equity method in separate financial statements	1 January 2016
HKFRS 10 (Amendment), HKFRS 12 (Amendment) and HKAS 28 (Amendment)	Investment entities: applying the consolidation exception	1 January 2016
HKFRS/HKAS (Amendment)	Annual improvements 2014	1 January 2016
HKAS 1 (Amendment)	Disclosure initiative	1 January 2016
HKFRS 9	Financial instruments	1 January 2018
HKFRS 15	Revenue from Contracts with Customers	1 January 2017

Management is in the process of making an assessment of their impact and is not yet in a position to state whether any substantial changes to the Group's significant accounting policies and presentation of the financial information will be resulted.

4. SEGMENT INFORMATION

The directors and chief executive officer of the Group are the chief operating decision-makers (the "CODM") of the Group. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The CODM manages the Group's business from the perspective of different product lines of the Group, i.e. printers and tax control equipment and other electronic products manufacturing.

The CODM assesses the performances of the operating segments based on a measure of segment revenue and segment results. Segment results exclude other income, administrative expenses, research and development expenses, other gains/(losses) — net, income tax expenses, finance costs — net, which are centrally managed for the Group. Other information provided to the CODM is measured in a manner consistent with that in this condensed consolidated interim financial information.

The segment revenue and results and the reconciliation with profit for the six months ended 30 June 2015 are as follows:

	Printer and tax control equipment RMB'000	Other electronic products manufacturing RMB'000	Total RMB'000
Revenue (from external customers) (note (a))	<u>174,778</u>	<u>34,731</u>	<u>209,509</u>
Segment results	<u>61,213</u>	<u>7,436</u>	68,649
Other income			6,659
Administrative expenses			(23,723)
Research and development expenses			(12,020)
Other gains — net			24,947
Finance costs — net			(1,245)
Income tax expenses			<u>(13,358)</u>
Profit for the period			<u><u>49,909</u></u>
Segment results include:			
Share of losses of an associate	(2)	—	(2)
Depreciation and amortisation	<u>(3,331)</u>	<u>(531)</u>	<u>(3,862)</u>

The segment revenue and results and the reconciliation with profit for the six months ended 30 June 2014 are as follows:

	Printer and tax control equipment RMB'000	Other electronic products manufacturing RMB'000	Total RMB'000
Revenue (from external customers) (note (a))	<u>205,462</u>	<u>54,785</u>	<u>260,247</u>
Segment results	<u>59,931</u>	<u>10,976</u>	70,907
Other income			5,328
Administrative expenses			(19,408)
Research and development expenses			(10,274)
Other losses — net			(290)
Finance costs — net			(1,628)
Income tax expenses			<u>(8,350)</u>
Profit for the period			<u><u>36,285</u></u>
Segment results include:			
Share of losses of an associate	(11)	—	(11)
Depreciation and amortisation	<u>(3,219)</u>	<u>(858)</u>	<u>(4,077)</u>

- (a) Revenues from external customers are for sales of goods. There are no inter-segment sales for the six months ended 30 June 2015 (six months ended 30 June 2014: nil).
- (b) The Group is domiciled in the PRC. The analysis of geography of the customers of the Group is set out below:

	Six months ended 30 June	
	2015	2014
	<i>RMB'000</i>	<i>RMB'000</i>
In the PRC	168,873	192,324
In other countries	40,636	67,923
	<u>209,509</u>	<u>260,247</u>

- (c) For the six months ended 30 June 2015, approximately 15% of total revenue (six months ended 30 June 2014: approximately 19%) are derived from a single external customer, which is in the segment of other electronic products manufacturing.

5. OTHER GAINS/(LOSSES) — NET

	Six months ended 30 June	
	2015	2014
	<i>RMB'000</i>	<i>RMB'000</i>
Gains/(losses) on financial assets at fair value through profit or loss — net	169	(452)
Dividend income of financial assets at fair value through profit or loss	118	206
Losses on disposal of fixed assets	—	(211)
Foreign exchange (losses)/gains — net	(1,378)	167
Penalty charged to a supplier (<i>note (a)</i>)	26,038	—
	<u>24,947</u>	<u>(290)</u>

- (a) Pursuant to a final civil judgment from the Supreme Court of the PRC received by the Group in January 2015, the Group was awarded a compensation of RMB30 million for an alleged breach by a former supplier in an exclusive distribution agreement with the Group. Having deducted the amount of RMB4 million received in 2012, the remaining sum of RMB26 million was received in January 2015 and has been recognised as other gains.

6. INCOME TAX EXPENSES

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
Current income tax		
— Hong Kong profits tax	—	370
— PRC corporate income tax	10,823	6,257
— PRC dividend withholding tax	2,474	1,500
	<u>13,297</u>	<u>8,127</u>
Deferred income tax	61	223
	<u>13,358</u>	<u>8,350</u>

- (a) The Group's applicable tax rates of Hong Kong profits tax, PRC corporate income tax and PRC withholding income tax for the six months ended 30 June 2015 are 16.5%, 15% and 5%, respectively (six months ended 30 June 2014: 16.5%, 15% and 5%).

7. EARNINGS PER SHARE

	Six months ended 30 June	
	2015	2014
— Basic		
Profit attributable to the shareholders of the Company (RMB'000)	49,906	36,271
Weighted average number of ordinary shares in issue (shares in thousands)	597,396	560,823
Basic earnings per share (RMB per share)	<u>0.084</u>	<u>0.065</u>
— Diluted		
Profit attributable to the shareholders of the Company (RMB'000)	49,906	36,271
Weighted average number of ordinary shares in issue (shares in thousands)	597,396	560,823
Adjustments for share options (shares in thousands)	6,373	896
Weighted average number of ordinary shares for diluted earnings (shares in thousands)	603,769	561,719
Diluted earnings per share (RMB per share)	<u>0.083</u>	<u>0.065</u>

8. DIVIDENDS

	Six months ended 30 June	
	2015	2014
	RMB'000	RMB'000
Interim dividends (note (a))	<u>47,000</u>	<u>28,000</u>

- (a) At the board of directors meeting held on 21 August 2015, the directors of the Company proposed an interim dividend for the six months ended 30 June 2015 of HK\$0.094 per ordinary share approximately HK\$57,046,000 (equivalent to RMB47,000,000). HK\$34,043,000 (equivalent to RMB28,048,000) and HK\$23,003,000 (equivalent to RMB18,952,000) is distributed out of the retained earnings and share premium of the Company respectively.

9. TRADE AND OTHER RECEIVABLES

The Group's sales to corporate customers are generally granted with credit terms ranging from 30 to 180 days or extended as considered appropriate by the directors of the Company. At 30 June 2015, the ageing analysis of the trade receivables is as follows:

	As at	
	30 June 2015 <i>RMB'000</i>	31 December 2014 <i>RMB'000</i>
Less than 30 days	8,827	11,790
31–90 days	1,988	8,316
91–180 days	564	732
181–365 days	124	464
Over 365 days	<u>1,210</u>	<u>2,536</u>
	<u>12,713</u>	<u>23,838</u>

10. TRADE AND OTHER PAYABLES

At 30 June 2015, the ageing analysis of the trade payables, including amounts due to related parties of trading nature, is as follows:

	As at	
	30 June 2015 <i>RMB'000</i>	31 December 2014 <i>RMB'000</i>
Less than 30 days	30,836	19,711
31–90 days	7,878	13,304
91–180 days	1,361	985
181–365 days	324	35
Over 365 days	<u>1,959</u>	<u>2,723</u>
	<u>42,358</u>	<u>36,758</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business Review

Printer and Tax Control Equipment Business

For the first half of 2015, the revenue from the printer and tax control equipment business amounted to approximately RMB174,778,000, representing a decrease of approximately 15% from the first half of 2014, accounted for approximately 83% of the revenue of the Group. The decrease in revenue was mainly due to the slowdown in the implementation of “BT to VAT” policy (replacing business tax with value-added tax) introduced by the State during the first half of the year, and a decrease in market demand due to economic slowdown.

Other Electronic Products Manufacturing Business

The revenue from the Group's other electronic products manufacturing business which accounted for approximately 17% of the revenue of the Group amounted to approximately RMB34,731,000, representing a decrease of approximately 37% from the first half of 2014. The decrease in revenue was mainly due to lower demand from our existing customers.

Future Business Outlook

In 2015, it became a national requirement to extend the “BT to VAT” to all sectors across the country, and implementation has been carried out as far as practicable. The pilot test of tax control integrated platform had been completed and full implementation has been extended across the country. Upon completion of the implementation, it is expected that a total of 12 million tax payers will use this tax control system, which is set to boost the printing volume of different invoices and in turn, is expected to increase the market demand of invoice printers. The Company anticipates that the “BT to VAT” policy will be fully embarked in the fourth quarter.

In respect of the invoice printers, the Company has successfully launched a series of invoice printers which catered for the printing needs of different tax payers with different price ranges. The Company has also introduced the touch-screen Android POS printers with high price-performance, simple-to-use functions and competitive in total price which satisfied the demands from the great number of small tax-payers. In view of the rapid development in the logistics industry and the emerging car rental market, the Company pioneered the development of the portable invoice printers in the industry, which are equipped with an anti-counterfeiting 2-dimensional bar code printing function, satisfying the new development trend of invoice printing. The product raised considerable market awareness shortly after its launch.

In line with the gradual policy of the State on loosening control in the establishment of financial institutions, the number of small- to medium-scale banks and internet financial institutions has increased, fueling market demands for passbook printers. The Company has developed an integrated

intelligent passbook printer which is compatible with different paper sizes and thicknesses. This printer is also integrated with magnetic encoder reader/writer, ID card scanning and essential vouchers infrared scanning functions. The preliminary marketing efforts have been successful.

With respect to commercial invoices, the Company has introduced the comprehensive dot matrix and thermal product series. Particularly noteworthy are the easy-loading mini printers, automatic ceramics paper cutter and the mini printer engine with new structure, which formulated a series of new products: MP-58TC, MP-230D/DC, MP-200D, MP-330T, MP-350T, MP-610DC/620D, LQ-120K/200KIII. These printers sufficiently satisfied the multi-purpose demands of commercial invoice printing in respect of paper-size, speed, dot matrix/thermal and paper output methods. Moreover, building upon the foundation laid down by the existing Android POS 7" screen, the Company further developed the 10" and 13" screen products which are clearly distinguishable, so as to cater for the requirements of more users. Moreover, the Company stepped up its marketing efforts to establish a dedicated sales and marketing team for the commercial invoice segment.

The ancillary digitalized medical information products that the Company has developed for years will be launched in the near future, including graphic, text and bar code inkjet printers for prescriptions, medicine bags, bills and anamnesis. This line of new products promises to create new market opportunities for the Company.

As for projectors, following the introduction of the short-throw, focused and 16:9 products, the Company is going to initiate the development of the confidential projectors, cloud projectors and video phone projectors, in addition to our latest developed multi-touch whiteboard, adding up to our interactive education system. This expansion to our product offering will strengthen our product competitiveness. In conjunction with our dedicated projector sales team, the new products will facilitate the market expansion of our projector products.

The Company has kept abreast of the development and changes in the domestic market and took the initiative to participate in the "Internet+" action plan promoted by the State. Following the successful launch of "Jolimark Kamo" pre-paid card mobile payment system, the Company has successfully developed the "Yingmei.me" free online Cloud Printing System and the charge-based "Yingmei.me" cloud printing platform. The Company has established sales teams in Guangzhou, Shenzhen, Chongqing and Guiyang and accelerated our pace in expanding into the mobile internet business segment. Moreover, the Company successfully developed our Android Touch PC and touch-panel products by way of joint investment, which will further facilitate the Company's development towards the direction of internet industry.

Looking into the second half of 2015, there will be uncertainties in the domestic macro-economic development as the economy gradually holds steady while trending down, in addition to the stepped up efforts in financial investment from the State. The Company is also subject to uncertainties in the face of our increased investment in new product development and new businesses. The Company holds a prudent attitude towards our business throughout 2015.

Financial Review

Results Summary

The Group's turnover in the first half of 2015 amounted to approximately RMB209,509,000, representing a decrease of approximately 19% from the corresponding period last year. The profit attributable to shareholders of the Company enjoyed an increase of approximately 38% over the corresponding period of the previous year and amounted to approximately RMB49,906,000 (first half of 2014: RMB36,271,000). The basic earnings per share were approximately RMB0.084 (first half of 2014: RMB0.065), representing an increase of approximately RMB0.019 over last year. The increase was mainly attributable to a compensation of approximately RMB26,038,000 received from Epson. In addition, the Company made provisions for the impairment of loans to Gowin in the amount of approximately RMB2,280,000, and litigation costs arising from the Epson case amounted to approximately RMB1,824,000, and approximately RMB1,908,000 of amortization cost for options granted to staff were also incurred.

Analysis on Sales and Gross Profit

In the first half of 2015, the revenue of the printer and tax control equipment business, which was the largest contributor to the revenue of the Group, amounted to approximately RMB174,778,000 and accounted for approximately 83% of the total revenue of the Group, whereas the revenue of other electronic products manufacturing amounted to approximately RMB34,731,000 and accounted for approximately 17% of the revenue of the Group. Comparing with the first half of 2014, the revenue from the printer and tax control equipment business decreased by approximately 15%, whereas revenue from the other electronic products manufacturing business decreased by approximately 37%. The Group's gross profit margin increased from approximately 32% of last year to approximately 40%, the increase in gross profit margin was mainly attributed to a decrease in product cost of Jolimark branded products and an increase in percentage of revenue from Jolimark branded products.

Capital Expenditure

As of 30 June 2015, capital expenditure of the Group amounted to approximately RMB4,301,000, which was mainly used to acquire production equipment and moulds for new products.

Financial and Liquidity Position

As at 30 June 2015, the total assets of the Group amounted to approximately RMB550,386,000 (31 December 2014: RMB607,404,000), shareholders' fund amounted to approximately RMB428,940,000 (31 December 2014: RMB388,762,000), non-controlling interests amounted to approximately

RMB78,000 (31 December 2014: RMB75,000) and current liabilities amounted to approximately RMB93,561,000 (31 December 2014: RMB190,746,000). The current ratio of the Group was approximately 4.3 (31 December 2014: 2.4).

As at 30 June 2015, the cash and cash equivalents and the structured deposits in a bank (including restricted cash) of the Group amounted to approximately RMB295,949,000 (31 December 2014: RMB344,135,000) whereas bank borrowings of the Group amounted to approximately RMB27,885,000 (31 December 2014: RMB111,495,000). The Group was in a net cash position after setting off the loan amounts.

As at 30 June 2015, the Group possessed financial assets, which were equity securities traded in China A shares stock exchange at fair value through profit or loss of approximately RMB8,955,000 (31 December 2014: RMB8,779,000), and we had no outstanding bank acceptance bills on 30 June 2015 (31 December 2014: RMB2,430,000).

Foreign Currency Risks

The Group mainly operates in mainland China with most of the transactions originally denominated and settled in RMB, however, the Group is exposed to foreign exchange risks for assets and liabilities denominated in United States dollars (“US\$”), Japanese Yen (“JPY”), Euro and Hong Kong dollars (“HK\$”) arising from importation of certain raw materials and machinery from overseas suppliers, sales of goods to overseas customers and borrowing that are denominated in foreign currencies. As at 30 June 2015, the Group had more monetary financial liabilities than assets outside mainland China.

The Group manages and monitors its foreign exchange risks by performing regular reviews of the Group’s net foreign exchange exposures and to mitigate the impact from exchange rate fluctuations by reducing the financial liabilities if need.

Acquisition

The Group had no material acquisition in the six months ended 30 June 2015.

Contingent Liabilities

The Group had no material contingent liabilities as at 30 June 2015.

Staff

As at 30 June 2015, the Group employed 1,283 staff in total. Apart from 24 employees employed in Hong Kong and overseas, most of them were based in mainland China. The Group implemented its remuneration policy and bonus and share option scheme based on the business results and individual performance of the staff. In addition, fringe benefits, such as insurance, medical allowance and pension, were provided to ensure the competitiveness of the Group.

Proposed Interim Dividend and Closure of Register of Members

The Board recommended an interim dividend for 2015 of HK\$0.094 per share to shareholders whose names appear on the register of members on 11 September 2015. The interim dividend will be paid on or before 23 October 2015.

For determining entitlement to the interim dividend, the register of members of the Company will be closed from 9 September 2015 to 11 September 2015, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all share transfers, accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on 8 September 2015.

BUY BACK, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

On 5 February 2015, the Company completed a placing of an aggregate of 40,000,000 new shares at the placing price of HK\$1.70 per share and received net proceeds of approximately HK\$66 million.

During the six months ended 30 June 2015, the Company has issued and allotted 290,013 and 1,015,000 new shares at exercise prices of HK\$1.00 and HK\$1.18 each, respectively, as a result of the exercise of the share options under the share option scheme of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries bought back, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2015.

SUFFICIENCY OF PUBLIC FLOAT

In respect of the public float of the Company which has fallen below 25% as required by Rule 8.08 of the Listing Rules, details were set out in the published annual report of the Company for the year ended 31 December 2014.

In an attempt to restore the public float to the required level, the Company has successfully placed 40 million new shares on 5 February 2015, raising the public ownership of the Company from 16.04% to 21.45%. On 27 July 2015, the Company noted that Mr. McCarthy disposed 11,026,000 shares of the Company through on market transactions. As a result of which, the public float of the Company further increased from 21.62% to 23.18%. The Company will continue to look into the best means to bring the public float level even higher to satisfy the stipulated minimum requirement under Rule 8.08 of the Listing Rule. The Company will continue to actively consider other options and alternatives to restore its public float.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted and complied with all the code provisions as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) during the six months ended 30 June 2015, save as disclosed below.

In accordance with the requirements of code provision E.1.2 of the Corporate Governance Code, the chairman of the Board should attend the annual general meeting of the Company. However, due to other business commitment, the chairman of the Board, Mr. Au Pak Yin, did not attend the annual general meeting of the Company held on 18 May 2015.

At the annual general meeting of the Company, there were executive Director and other independent non-executive Directors present to enable the Board to develop a balanced understanding of the views of the shareholders of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules. The Company has made specific enquiry of all Directors regarding any non-compliance with the Code during the six months ended 30 June 2015 and all Directors confirmed that they have fully complied with the required standard set out in the Model Code during the period.

REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The audit committee of the Company (the “Audit Committee”) is composed of four independent non-executive Directors. The unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2015 had been reviewed by the Audit Committee.

The unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2015 had been reviewed by the Company’s independent auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jolimark.com). The interim report of the Company for the Interim Period containing all the information required by the Listing Rules will be despatched to shareholders of the Company and made available on the above websites in due course.

By order of the Board
Jolimark Holdings Limited
Au Pak Yin
Chairman

Hong Kong, 21 August 2015

As at the date of this announcement, the Executive Directors of the Company are Mr. Au Pak Yin, Mr. Au Kwok Lun and Mr. Ou Guo Liang; and the Independent Non-executive Directors of the Company are Mr. Lai Ming, Joseph, Mr. Meng Yan, Mr. Xu Guangmao and Mr. Yeung Kwok Keung.