

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.



JOLIMARK HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2028)

2013 Annual Results Announcement

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2013

	<i>Note</i>	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Revenue	2	581,313	456,875
Cost of goods sold		<u>(419,807)</u>	<u>(342,159)</u>
Gross profit		161,506	114,716
Other income		11,215	8,973
Selling and marketing costs		(30,140)	(30,370)
Administrative expenses		(43,048)	(35,288)
Research and development expenses		(20,927)	(15,412)
Other gains — net		<u>3,313</u>	<u>8,719</u>
Operating profit		81,919	51,338
Finance costs — net	4	(226)	(498)
Share of losses of an associate		<u>(2)</u>	<u>(5)</u>
Profit before income tax		81,691	50,835
Income tax expenses	5	<u>(13,972)</u>	<u>(10,568)</u>
Profit for the year	3	<u>67,719</u>	<u>40,267</u>
Profit attributable to:			
— Shareholders of the Company		67,706	40,260
— Non-controlling interests		<u>13</u>	<u>7</u>
		<u>67,719</u>	<u>40,267</u>
Earnings per share for profit attributable to the shareholders of the Company during the year (expressed in RMB per share)			
— Basic	6	<u>0.121</u>	<u>0.072</u>
— Diluted	6	<u>0.121</u>	<u>0.072</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2013

	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Profit for the year	67,719	40,267
Other comprehensive income for the year	<u>—</u>	<u>—</u>
Total comprehensive income for the year	<u>67,719</u>	<u>40,267</u>
Total comprehensive income for the year attributable to:		
— Shareholders of the Company	67,706	40,260
— Non-controlling interests	<u>13</u>	<u>7</u>
	<u>67,719</u>	<u>40,267</u>

CONSOLIDATED BALANCE SHEET

As at 31 December 2013

	2013	2012
<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
ASSETS		
Non-current assets		
Property, plant and equipment	88,725	86,760
Land use rights	9,455	9,744
Intangible assets	389	517
Investment in an associate	95	92
Available-for-sale financial assets	4,480	3,756
Restricted cash	<u>60,000</u>	<u>—</u>
	<u>163,144</u>	<u>100,869</u>
Current assets		
Inventories	118,191	137,116
Trade and other receivables	8 39,509	38,661
Financial assets at fair value through profit or loss	7,641	15,313
Structured deposits in a bank	31,500	30,000
Restricted cash	10,257	683
Cash and cash equivalents	<u>199,634</u>	<u>210,632</u>
	<u>406,732</u>	<u>432,405</u>
Total assets	<u><u>569,876</u></u>	<u><u>533,274</u></u>

	<i>Note</i>	2013 RMB'000	2012 RMB'000
EQUITY			
Capital and reserves attributable to shareholders of the Company			
Share capital and premium		99,088	176,649
Other reserves		208,653	201,682
Retained earnings			
— proposed final dividend	7	35,000	19,911
— unappropriated retained earnings		23,019	16,659
		365,760	414,901
Non-controlling interests		44	31
Total equity		365,804	414,932
LIABILITIES			
Non-current liabilities			
Borrowings		83,313	28,151
Deferred income tax liabilities		2,325	3,582
		85,638	31,733
Current liabilities			
Trade and other payables	9	103,221	82,926
Current income tax liabilities		5,469	3,683
Borrowings		9,744	—
		118,434	86,609
Total liabilities		204,072	118,342
Total equity and liabilities		569,876	533,274
Net current assets		288,298	345,796
Total assets less current liabilities		451,442	446,665

1. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). They have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and available-for-sale financial assets.

Changes in accounting policy and disclosures

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

The following new and amended standards and interpretations are mandatory for the year commencing on 1 January 2013. The adoption of these new and amended standards and interpretations does not have significant impact to the results or financial position of the Group.

HKFRS 1 (Amendment)	First time adoption: on government loans
HKFRS 7 (Amendment)	Financial instruments: Disclosures — Offsetting financial assets and financial liabilities
HKFRS 10	Consolidated financial statements
HKFRS 11	Joint arrangements
HKFRS 12	Disclosures of interests in other entities
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendment)	Transition guidance in HKFRS 10, 11 and 12
HKFRS 13	Fair value measurements
HKAS 1 (Amendment)	Presentation of items of other comprehensive income (OCI)
HKAS 19 (Amendment)	Employee benefits
HKAS 27 (Revised 2011)	Separate financial statements
HKAS 28 (Revised 2011)	Associate and joint ventures
HK(IFRIC)-Int 20	Stripping costs in the production phase of a surface mine
HKFRS (Amendments)	Annual improvements 2009–2011 cycle

(b) *New and amended standards and interpretations issued but are not effective for financial year ended 31 December 2013 and have not been early adopted by the Group*

		Effective for annual periods beginning on or after
HKFRS 9	Financial instruments	1 January 2015
HKFRS 7 and HKFRS 9 (Amendment)	Mandatory effective date and transition disclosures	1 January 2015
HKAS 19 (Amendment)	Benefit plans	1 July 2014
HKAS 32 (Amendment)	Financial instruments: Disclosures — Offsetting financial assets and financial liabilities	1 January 2014
HKFRS/HKAS (Amendment)	Annual improvements 2010–2012 cycle	1 July 2014
HKFRS/HKAS (Amendment)	Annual improvements 2011–2013 cycle	1 July 2014

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 in.

2. SEGMENT INFORMATION

The directors and chief executive officer of the Company 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, finance income/costs and income tax expenses, which are centrally managed for the Group.

The segment revenue and results and the reconciliation with profit for the year ended 31 December 2013 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>464,392</u>	<u>116,921</u>	<u>581,313</u>
Segment results	<u>110,182</u>	<u>21,182</u>	<u>131,364</u>
Other income			11,215
Administrative expenses			(43,048)
Research and development expenses			(20,927)
Other gains — net			3,313
Finance costs — net			(226)
Income tax expenses			<u>(13,972)</u>
Profit for the year			<u><u>67,719</u></u>
Segment results include:			
Share of loss of an associate	(2)	—	(2)
Depreciation and amortisation	<u>(4,914)</u>	<u>(2,107)</u>	<u>(7,021)</u>

The segment revenue and results and the reconciliation with profit for the year ended 31 December 2012 are as follows:

	Printer and tax control equipment <i>RMB'000</i>	Other electronic products manufacturing <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue (from external customers) (note (a))	<u>342,099</u>	<u>114,776</u>	<u>456,875</u>
Segment results	<u>64,351</u>	<u>19,990</u>	84,341
Other income			8,973
Administrative expenses			(35,288)
Research and development expenses			(15,412)
Other gains — net			8,719
Finance costs — net			(498)
Income tax expenses			<u>(10,568)</u>
Profit for the year			<u><u>40,267</u></u>
Segment results include:			
Share of loss of an associate	(5)	—	(5)
Depreciation and amortisation	<u>(4,505)</u>	<u>(2,180)</u>	<u>(6,685)</u>

(a) Revenues from external customers are for sales of goods. There is no inter-segment sales for the year ended 31 December 2013 (2012: nil).

(b) The Group is domiciled in the PRC. The revenue from external customers are as follows:

	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
In the PRC	434,809	311,261
In other countries	<u>146,504</u>	<u>145,614</u>
	<u><u>581,313</u></u>	<u><u>456,875</u></u>

(c) In 2013, approximately 19% of total revenue (2012: approximately 24%) are derived from a single external customer, which is in the segment of other electronic products manufacturing.

(d) As at 31 December 2013, the Group's non-current assets are mainly located in the PRC.

3. PROFIT FOR THE YEAR

Profit for the year has been arrived at after changing the following items:

	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Depreciation of property, plant and equipment and amortisation of land use rights and intangible assets	<u>8,600</u>	<u>8,765</u>

4. FINANCE COSTS — NET

	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Interest expenses on bank borrowings	(1,800)	(596)
Exchange gains on bank borrowings	<u>1,574</u>	<u>98</u>
	<u>(226)</u>	<u>(498)</u>

5. INCOME TAX EXPENSES

	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Current income tax expenses		
— Hong Kong profits tax	(933)	(837)
— PRC corporate income tax	(12,296)	(7,435)
— PRC dividend withholding tax	<u>(2,000)</u>	<u>(2,500)</u>
	(15,229)	(10,772)
Deferred income tax expenses	<u>1,257</u>	<u>204</u>
	<u>(13,972)</u>	<u>(10,568)</u>

The Group's applicable tax rates of Hong Kong profits tax, PRC corporate income tax and PRC withholding income tax for the year ended 31 December 2013 are 16.5%, 15% and 5%, respectively (2012: 16.5%, 15% and 5%).

6. EARNINGS PER SHARE

— Basic

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	2013	2012
Profit attributable to the shareholders of the Company (<i>RMB'000</i>)	<u>67,706</u>	<u>40,260</u>
Weighted average number of ordinary shares in issue (<i>shares in thousands</i>)	<u>559,992</u>	<u>559,992</u>
Basic earnings per share (<i>RMB per share</i>)	<u>0.121</u>	<u>0.072</u>

— Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding on an assumption of conversion of all dilutive potential ordinary shares. The dilutive potential ordinary shares of the Company are share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2013	2012
Profit attributable to the shareholders of the Company (<i>RMB'000</i>)	<u>67,706</u>	<u>40,260</u>
Weighted average number of ordinary shares in issue (<i>shares in thousands</i>)	559,992	559,992
Adjustments for share options (<i>shares in thousands</i>)	<u>102</u>	<u>11</u>
Weighted average number of ordinary shares for diluted earnings per share (<i>shares in thousands</i>)	<u>560,094</u>	<u>560,003</u>
Diluted earnings per share (<i>RMB per share</i>)	<u>0.121</u>	<u>0.072</u>

7. DIVIDENDS

	2013	2012
	RMB'000	RMB'000
Interim dividend (<i>note (a)</i>)	20,036	20,616
Proposed final dividend (<i>note (b)</i>)	35,000	19,727
Proposed special dividend (<i>note (b)</i>)	<u>—</u>	<u>77,561</u>
	<u>55,036</u>	<u>117,904</u>

- (a) Interim dividends in respect of six months ended 30 June 2013 of HK\$0.045 per ordinary share (six months ended 30 June 2012: HK\$0.045 per ordinary share) totaling approximately HK\$25,200,000 (equivalent to RMB20,036,000) have been declared out of retained earnings of the Company at the board of directors' meeting on 22 August 2013 (six months ended 30 June 2012: RMB20,616,000).
- (b) At a board of directors' meeting held on 21 March 2014, the directors of the Company proposed a final dividend for the year ended 31 December 2013 of HK\$0.079 per ordinary share approximately HK\$44,422,000 (equivalent to RMB35,000,000) out of retained earnings of the Company. These proposed dividends are not reflected as dividends payable in the consolidated financial statements for the year ended 31 December 2013, but will be reflected as dividends distribution for the year ending 31 December 2014.

A final dividend in respect of 2012 of HK\$0.044 per ordinary share approximately HK\$24,640,000 (equivalent to RMB19,727,000) have been declared out of retained earnings of the Company and a special dividend of HK\$0.173 per ordinary share approximately HK\$96,879,000 (equivalent to RMB77,561,000) have been declared out of share premium of the Company, respectively, in the Company's Annual General Meeting on 6 May 2013, which have been paid in 2013.

8. 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 31 December 2013, the ageing analysis of the trade receivables before provision for impairment of receivables, including amounts due from related parties of trading in nature, were as follows:

	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Less than 30 days	10,050	13,641
31–90 days	7,259	5,206
91–180 days	1,629	1,672
181–365 days	862	1,198
Over 365 days	4,829	4,793
	24,629	26,510

9. TRADE AND OTHER PAYABLES

At 31 December 2013, the ageing analysis of the trade payables, including amounts due to related parties of trading nature, were as follows:

	2013 <i>RMB'000</i>	2012 <i>RMB'000</i>
Less than 30 days	23,843	25,300
31–90 days	15,928	11,049
91–180 days	8,761	2,163
181–365 days	2,482	4,429
Over 365 days	4,737	5,851
	55,751	48,792

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business Review

Printer and Tax Control Equipment Business

For the year 2013, the Group's revenue from the business of printers and tax control equipment amounted to approximately RMB464,392,000, representing 80% of the Group's revenue and an increase of approximately 36% when compared with 2012. The increase in sales was mainly attributable to the increased demand for bills and invoice printers, and continuing enhancement of our products competitiveness in 2013. With an improved economy, the increased demand resulted from the government's implementation of the pilot reform "BT to VAT", (to replace business tax with value-added tax) on 1 August 2013 throughout China, and the "Administrative Measures of Online Invoices" 《網絡發票管理辦法》 having taken effect on 1 April 2013, which contributed to more comprehensive and intensive promotion of online invoices, resulting in the growth of bill printing market. Moreover, with the consistent launching of new products and continuous improvement in brand awareness and cost-performance ratios, the competitiveness of our products has been further strengthened.

Other Electronic Products Manufacturing Business

The Group's other electronic products manufacturing business, which was mainly targeted at the European and American markets, achieved a relatively steady performance in 2013. The revenue from sales of RMB116,921,000 accounted for 20% of the Group revenue and represented a 2% increase against 2012.

Future Business Outlook

The State will continue to push ahead with the pilot reform of "BT to VAT". In the "Notice of Incorporating Rail Transport and Postal Service Into the Reform of BT to VAT", which was jointly announced on 12 December 2013 by the State Ministry of Finance and State Taxation Administration, it was declared that the two services were to be included in the pilot reform from 1 January 2014, while the online invoices system would be implemented successively throughout China. Accordingly, we are hopeful that the demand for invoice printers would further increase. Furthermore, we believe the government's policies on urbanization and service industry development should have an effect in boosting domestic consumption and raising personal income levels. The demand for commercial bills and invoice printing is set to increase in the mid-to-long term.

By the end of 2013, a number of lower cost invoice printers with higher price-performance ratios, such as printers featuring front-paper loading, quieter, more stylish, and intelligent, along with high speed printers for invoices, cards and passbooks, were successfully launched in the market and are well received by customers.

In 2014, one of our priorities is to promote sales and marketing through the Internet. We will be launching a Jolimark O2O business model. We will expand our online sales channels in the major e-commerce platforms and establish an interactive subscription service account and platform in WeChat. We will strengthen our promotion efforts through mobile-internet channels and will sponsor the “Jolimark Cup” of National Chess League Division A which will be widely publicized through Internet. As for our new products, we will introduce a series of mini printers specially for printing of commercial bills and inkjet printers.

The rapid development of e-commerce and mobile internet, particularly the application of the O2O WeChat payment and WeChat subscription service account, make printed bills with barcode important gateways in O2O. Thus it will generate a huge demand for mobile printing of commercial invoices and bills; bar code and QR code printing are expected to increase significantly. We will actively develop portable printer as well as the equipment for bar code and QR code printing with various technologies which can wirelessly connect to cellphones. Jolimark will also be targeting at opportunities in the inkjet technology and its applications. We have set up a R&D center for inkjet printing in Taiwan in support of our plans for the application of inkjet printing in areas such as medicine, food, logistics and manufacturing. The R&D effort will focus on printing systems, the types of ink and printing medium. Meanwhile, we are actively planning to use cloud platforms to develop new business models, such as the leasing of equipment for printing in the offices and in specific industries. We will also examine the prospect of providing for printing which is charged by volume.

Apart from the business of printers, tax control equipment and projectors, we are considering opportunities in the mobile internet business by leveraging our own printer user base and our existing network of sales and services to support the business of the small-sized retailers and service providers with cloud CRM solutions. We will provide merchants with Android POS equipment to manage their marketing, customer information, consumption and payments.

While the US and Europe are expected to continue their economic revival in 2014, China’s domestic macro-economy will be up against some difficulties and downside risks. The overall economic scenario will be more complex, but in the market for bills and invoice printing, there exist a number of favourable factors as mentioned above.

Financial Review

Results Summary

The Group recorded a turnover of approximately RMB581,313,000 for the year ended 31 December 2013, representing an increase of approximately 27% from the previous year. The profit attributable to shareholders of the Company enjoyed an increase of approximately 68% over the previous year and amounted to approximately RMB67,706,000. The basic earnings per share were approximately RMB0.121 (2012: RMB0.072), representing an increase of approximately RMB0.049 over the previous year.

Analysis on Sales and Gross Profit

For the year 2013, the revenue of the printer and tax control equipment business amounted to approximately RMB464,392,000 and accounted for approximately 80% of the total revenue of the Group, which was the largest contributor to the revenue of the Group, whereas the revenue of other electronic products manufacturing amounted to approximately RMB116,921,000 and accounted for approximately 20% of the revenue of the Group. The revenue from the printer and tax control equipment business increased by approximately 36% as compared to that of the previous year, whereas revenue from other electronic products manufacturing business increased by 2%.

The Group's gross profit margin increased from approximately 25.1% of last year to approximately 27.8%. The increase in gross profit margin was mainly due to the increase in the proportion of sales of Jolimark branded products and reduction of average production costs.

Capital Expenditure

For the year 2013, the capital expenditure of the Group amounted to approximately RMB12,334,000, which was mainly used for the purchase of production equipment and moulds for new products.

Financial Position and Liquidity

As at 31 December 2013, the total assets of the Group amounted to approximately RMB569,876,000 (31 December 2012: RMB533,274,000), shareholders' fund amounted to approximately RMB365,760,000 (31 December 2012: RMB414,901,000). The decrease in shareholders' fund was mainly attributable to the payment of a special dividend for the year of 2012. Non-controlling interests amounted to approximately RMB44,000 (31 December 2012: RMB31,000) and current liabilities amounted to approximately RMB118,434,000 (31 December 2012: RMB86,609,000). The current ratio (the ratio of current assets to current liabilities) of the Group was approximately 3.4 (31 December 2012: 5.0).

As at 31 December 2013, the cash and cash equivalents, restricted cash and the structured deposits of the Group amounted to approximately RMB301,391,000 (31 December 2012: RMB241,315,000) whereas the bank borrowings of the Group amounted to approximately RMB93,057,000 (31 December 2012: RMB28,151,000). The Group was in a net cash position after deducting the borrowings.

As at 31 December 2013, the Group held financial assets stated at fair value through profit or loss (equity securities traded in China A shares stock exchange) of approximately RMB7,641,000 (31 December 2012: RMB15,313,000). The decrease was mainly due to the sale of some equity securities. The outstanding bank acceptance bills received from customers amounted to approximately RMB6,726,000 (31 December 2012: RMB1,513,000).

Acquisition

In 2013, Jolimark Technology Co., Ltd, a subsidiary of the Group, acquired an additional 1.71% of the equity interests in International United Technology Co., Ltd with a consideration of approximately RMB724,000. Jolimark Technology Co., Ltd. held 9.22% shares in that company as at 31 December 2013.

In the same year, Jolimark Technology Co., Ltd held 35% shares of Gowin Technology International Holdings Limited, which is a high-tech company registered in Hong Kong and engaged in research and development and sales of a series of touch-screen electronic products.

Contingent Liabilities

The Group had no material contingent liabilities as at 31 December 2013.

Staff

As at 31 December 2013, the Group employed 1,334 staff in total. Most of them were based in the PRC while 13 employees were employed in Hong Kong and overseas. 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 final dividend and closure of register of members

The Board recommended a final dividend for 2013 of HK7.9 cents per share to shareholders whose names appear on the register of members on Thursday, 22 May 2014. The final dividend will be paid on or before Monday, 23 June 2014.

The annual general meeting of the Company will be held on Monday, 12 May 2014. For determining the entitlement to attend and vote at the annual general meeting, the register of members of the Company will be closed from 7 May 2014 to 12 May 2014, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the annual general meeting, all transfers of shares, 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, Wanchai, Hong Kong, not later than 4:30 p.m. on 5 May 2014.

For determining entitlement to the proposed final dividend, the register of members of the Company will be closed from 20 May 2014 to 22 May 2014, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final 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, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 19 May 2014.

Audit committee

The audit committee comprises Mr. Lai Ming, Joseph as the chairman, Mr. Meng Yan, Mr. Xu Guangmao and Mr. Yeung Kwok Keung, all are Independent Non-Executive Directors. For the year ended 31 December 2013, the audit committee held two meetings to review the accounting standards and practices adopted by the Group and to discuss on matters regarding the internal control and financial reporting (including the interim and annual results before proposing them to the Board for approval) with the management and external auditor. The audit committee has reviewed the results of the Group for the year ended 31 December 2013.

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 year ended 31 December 2013, save as disclosed below.

Under code provision A.6.7 of the Corporate Governance Code, the independent non-executive Directors should attend the general meetings of the Company. 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. However, due to other business commitment, the chairman of the Board, Mr. Au Pak Yin and the independent non-executive Directors, Mr. Meng Yan and Mr. Xu Guangmao did not attend the annual general meeting of the Company held on 6 May 2013.

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

Purchase, sale or redemption of the Company’s listed securities

During the year ended 31 December 2013, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

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 year ended 31 December 2013 and all Directors confirmed that they have fully complied with the required standard set out in the Model Code during the year.

Publication of annual results announcement and annual report

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jolimark.com). The annual report of the Company for the year ended 31 December 2013 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 March 2014

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.