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If you have sold or transferred all your shares in Jolimark Holdings Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission.



JOLIMARK HOLDINGS LIMITED

映美控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(stock code: 2028)

**(1) PROPOSALS FOR RE-ELECTION OF DIRECTORS;
(2) REFRESHMENT OF GENERAL MANDATES TO ISSUE
AND
BUYBACK SHARES;
(3) ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the annual general meeting (“AGM”) of the Company to be held at 11:00 a.m. on 18 May 2015 at Unit 01, 23A Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong is set out on pages 24 to 28 of this circular. A form of proxy for the AGM is also enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish.

15 April 2015

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
Introduction	3
Re-election of Directors	4
General mandates to issue and buyback shares	4
Termination of the Existing Share Option Scheme	5
Adoption of New Share Option Scheme	5
AGM	7
Recommendation	8
Responsibility statement	8
APPENDIX I — DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM	9
APPENDIX II — EXPLANATORY STATEMENT FOR GENERAL MANDATE TO BUYBACK SHARES	11
APPENDIX III — PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME	15
NOTICE OF AGM	24

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2014 Annual Report”	the annual report of the Company published on 15 April 2015 containing, <i>inter alia</i> , the audited financial statements of the Company for the year ended 31 December 2014
“AGM”	the annual general meeting of the Company to be held at Unit 01, 23A Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong on 18 May 2015 at 11:00 a.m.
“AGM Notice”	the notice convening the AGM as set out on pages 24 to 28 of this circular
“Articles of Association”	the articles of association of the Company
“associate(s)”	has the meaning as ascribed to the Listing Rules
“Board”	the board of Directors
“close associate(s)”	has the meaning as ascribed to the Listing Rules
“connected person(s)”	has the meaning as ascribed to the Listing Rules
“core connected person(s)”	has the meaning as ascribed to the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participants”	means any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; any directors (including independent non-executive directors) of the Company or any of its subsidiaries; and any advisers, consultants, suppliers, customers, distributors and such other persons who in the sole opinion of the Board will contribute or have contributed to the Company or any of its subsidiaries
“Existing Share Option Scheme”	the existing share option scheme of the Company adopted on 27 June 2005
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Jolimark Holdings Limited 映美控股有限公司” or the “Company”	a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange

DEFINITIONS

“Latest Practicable Date”	9 April 2015, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option(s)”	option(s) to subscribe for Shares pursuant to the New Share Option Scheme
“Option Holder(s)”	the holder(s) of the Options
“New Share Option Scheme”	the new share option scheme of the Company proposed to be adopted at the AGM, the principal terms of which are set out in Appendix III to this circular
“Participant(s)”	any person(s) belonging to any of the following classes of participants: (aa) any Eligible Participant; and (bb) any non-executive director (including independent non-executive directors) of the Company or any of its Subsidiaries
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary” or “Subsidiaries”	a company which is for the time being and from time to time, a subsidiary (within the meaning of section 15 of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended from time to time) of the Company
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	percent.

For the purpose of this circular, certain English translation of Chinese name or words are included for information purpose only and should not be relied upon as the official translation of such Chinese names or words.

LETTER FROM THE BOARD



JOLIMARK HOLDINGS LIMITED

映美控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(stock code: 2028)

Executive Directors:

Mr. Au Pak Yin (*Chairman*)
Mr. Au Kwok Lun (*Chief Executive Officer*)
Mr. Ou Guo Liang

Registered Office:

Clifton House
75 Fort Street
PO Box 1350 GT
George Town, Grand Cayman
Cayman Islands

Independent Non-Executive Directors:

Mr. Lai Ming, Joseph
Mr. Meng Yan
Mr. Xu Guangmao
Mr. Yeung Kwok Keung

Principal place of business

in Hong Kong:
Unit 01, 23A Floor
K. Wah Centre
191 Java Road
North Point
Hong Kong

15 April 2015

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSALS FOR RE-ELECTION OF DIRECTORS;
(2) GENERAL MANDATES TO ISSUE AND BUYBACK SHARES;
(3) ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to (i) the re-election of Directors; (ii) the grant of general mandates to the Directors for the issue and the buyback of the Company's Shares respectively up to 20% and 10% of the total number of issued Shares of the Company as at the date of the passing of such resolutions, and the extension of the general mandate to the Directors to issue shares to include the total number of Shares buyback under the Share buyback mandate; and (iii) the adoption of New Share Option Scheme.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board comprised seven Directors, namely Mr. Au Pak Yin, Mr. Au Kwok Lun, Mr. Ou Guo Liang, Mr. Yeung Kwok Keung, Mr. Lai Ming, Joseph, Mr. Meng Yan and Mr. Xu Guangmao.

Pursuant to Article 108(a) of the Articles of Association, at each of the annual general meeting of the Company, one third of the Directors for the time being, or, if their number is not 3 or a multiple of 3, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every 3 years. Accordingly, three of the existing Directors shall retire at the AGM and, being eligible, will offer themselves for re-election at the AGM.

Article 113 of the Articles of Association provides that no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election as a Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the head office or at the registration office. The period for lodgment of the notices required will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director at the AGM, notice of his intention to propose such person for election as a Director and the notice executed by the nominee of his willingness to be elected must be validly served at our principal place of business in Hong Kong at Unit 01, 23A Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong on or before 11 May 2015.

Biographical details of the retiring Directors proposed to be re-elected are set out in Appendix I to this circular. If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received after the printing of this circular, the Company will issue a supplementary circular to inform Shareholders of the details of the additional candidate proposed.

GENERAL MANDATES TO ISSUE AND BUYBACK SHARES

At the annual general meeting held on 12 May 2014, ordinary resolutions were passed by the Shareholders to grant to the Directors a general mandate to exercise the power of the Company to buyback Shares and a further general mandate to allot, issue and deal with new Shares. Such general mandates, unless renewed, will lapse at the conclusion of the next AGM.

New general mandates to allot, issue and deal with Shares of up to a maximum of 20% (“Issue Mandate”) and to buyback Shares of up to a maximum of 10% (“Share Buyback Mandate”) respectively of the total number of the issued Shares of the Company as at the date of passing of the resolutions as set out in Resolutions 6 and 7 respectively of the AGM Notice will be proposed at the AGM. Resolution authorising the extension of the general mandate to the Directors to issue Shares to include the total number of such Shares (if any) bought back under the Share Buyback Mandate as set out in Resolution 8 of the AGM Notice will also be proposed at the AGM.

LETTER FROM THE BOARD

With reference to the proposed new general mandates, the Directors wish to state that they have no immediate plans to issue or buyback any Shares pursuant to the relevant mandates as at the date of this circular.

As at the Latest Practicable Date, the Company has 603,591,987 Shares in issue. Subject to the passing of the ordinary resolution approving the Issue Mandate and on the basis there will be no change to the total number of issued Shares prior to the AGM, the Company would be allowed to issue a maximum of 120,718,397 Shares, representing 20% of the total number of Shares in issue as at the date of the resolution approving the Issue Mandate.

Subject to the passing of the ordinary resolution approving the Share Buyback Mandate and on the basis that there will be no change to the total number of issued Shares prior to the AGM, the Company would be allowed to buyback a maximum of 60,359,198 Shares.

Subject to the passing of the relevant ordinary resolutions at the AGM, the Issue Mandate and the Share Buy-back Mandate will continue to be in force until the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution in general meeting of the Company.

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against Resolution 7 to be proposed at the AGM in relation to the proposed Share Buy-back Mandate is set out in Appendix II to this circular.

TERMINATION OF THE EXISTING SHARE OPTION SCHEME

The Existing Share Option Scheme was adopted by the Company on 27 June 2005 and is valid for a period of 10 years ending on 26 June 2015. Other than the Existing Share Option Scheme, the Company does not have any other option schemes.

The Company had 27,340,013 options outstanding as at the Latest Practicable Date. The Existing Share Option Scheme is due to expire soon and the Board proposes to terminate the Existing Share Option Scheme and adopt the New Share Option Scheme with terms in compliance with the current provisions of Chapter 17 of the Listing Rules.

ADOPTION OF NEW SHARE OPTION SCHEME

The Existing Share Option Scheme is due to expire on 26 June 2015. In order to provide the Company with the flexibility of granting share options to the Directors and employees as incentives or rewards for their contribution or potential contribution to the Group, the Directors proposed to adopt the New Share Option Scheme, the principal terms of which are set out in Appendix III to this circular.

LETTER FROM THE BOARD

The adoption of the New Share Option Scheme is conditional upon (i) the approval of the adoption of the New Share Option Scheme by Shareholders at the AGM; and (ii) the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares which may be issued upon the exercise of the options which may be granted under the New Share Option Scheme.

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares which may be issued upon the exercise of the options under the New Share Option Scheme.

The purpose of the New Share Option Scheme is to enable the Company to grant options to selected Participants as incentives or rewards for their contribution or potential contribution to the Group. The Directors consider that the New Share Option Scheme will provide the Participants with the opportunity to acquire proprietary interests in the Company and will encourage such Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and the Shareholders as a whole.

The New Share Option Scheme does not specify a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised. However, the rules of the New Share Option Scheme provide that the Board may determine, at its sole discretion, such terms and conditions on the grant of an option, including the minimum period for which the share options under the New Share Option Scheme must be held and/or the performance targets that must be achieved before such share options can be exercised and/or any other terms which may be imposed. This determination may vary on a case by case basis but no such terms will be imposed the result of which will be to the advantage of the Participant. The basis for the determination of the subscription price is specified in the rules of the New Share Option Scheme. With such authority and flexibility, the Board may impose different conditions for each Participant as it considers appropriate so as to provide incentives or rewards to such selected Participants for their contribution or potential contribution to the Group.

Based on 603,591,987 Shares in issue as at the Latest Practicable Date and assuming that there is no change in the total number of Shares in issue before the AGM, the maximum number of Shares that may be issued upon the exercise of the options that may be granted under the Share Option Scheme is 60,359,198 Shares, being 10% of the total number of Shares in issue as at the date of the adoption of the New Share Option Scheme.

The aggregate number of Shares which may be issued upon the exercise of all share options that may be granted under the New Share Option Scheme and all outstanding share options granted and yet to be exercised under the other share option schemes of the Company has not exceeded 30% of the Shares in issue as at the Latest Practicable Date.

As at the Latest Practicable Date, no options under the New Share Option Scheme have been granted and thus the Company considers that it would not be appropriate to disclose in this circular the value of the options that may be granted under the proposed New Share Option Scheme as if they have been granted as at the Latest Practicable Date, as various determining factors for the calculation of such value cannot be reasonably ascertained at this stage. It would not be meaningful and may even be misleading to Shareholders if the value of the options is calculated based on a set of speculative assumptions. However, the Company will disclose the value of any options granted during a financial year or a particular period in its annual report and interim report based on the Binomial Options Pricing Model or a generally accepted comparable methodology.

LETTER FROM THE BOARD

A summary of the principal terms of the proposed New Share Option Scheme is set forth in Appendix III to this circular. The rules of the New Share Option Scheme proposed to be adopted by the Company at the AGM will be available for inspection at the principal place of business in Hong Kong at Unit 01, 23A Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong during normal business hours from the Latest Practicable Date up to and including the date of AGM.

AGM

The AGM Notice is set out on pages 24 to 28 of this circular. At the AGM, in addition to the ordinary business of the AGM, resolutions will be proposed to Shareholders to consider and, if thought fit, approve, among other things, the proposed re-election of Directors, the proposed grant of the general and unconditional mandates to issue and buyback Shares. Given that no Shareholders is considered as having a material interest in the resolutions to be proposed at the AGM, no Shareholder is required to abstain from voting at the AGM for the relevant resolutions.

A form of proxy for the AGM is also enclosed with this circular. Whether or not you are able to attend the AGM or any adjourned meeting thereof, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish.

Pursuant to the Listing Rules, all resolutions to be passed at the AGM will be by poll.

The register of members of the Company for entitlement to attend and vote at AGM will be closed from 13 May 2015 to 18 May 2015, both days inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the 2014 AGM to be held on 18 May 2015, 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 Service 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 12 May 2015.

The register of members of the Company to qualify for the final and special dividend will be closed from 22 May 2015 to 27 May 2015, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final and special dividend, all the 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, Wanchai, Hong Kong not later than 4:30 p.m. on 21 May 2015.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that (i) the proposed re-election of Directors; (ii) the proposed grant of general mandates to issue and buyback shares; and (iii) the adoption of the New Share Option Scheme are each in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend all Shareholders to vote in favour of the relevant resolutions set out in the notice of the AGM.

RESPONSIBILITY STATEMENT

This circular, for which the directors of the issuer collectively and individually accept full responsibility, includes particulars given in the compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully
For and on behalf of the Board
Jolimark Holdings Limited
Au Pak Yin
Chairman

LIST OF RETIRING DIRECTORS FOR RE-ELECTION

The biographical and other details of the retiring Directors standing for re-election at the AGM are set out below.

Mr. Au Pak Yin (“Mr. Au”), aged 69, is the chairman of the Company and a founder of the Group. He is in charge of corporate strategy and planning and the overall development of the Group. He has over 25 years of experience in distribution and manufacturing of business equipment in the PRC. Mr. Au first started to trade in Hong Kong in 1986 and in 1989, he began to engage in the trading of printers in the PRC. In 1997, Mr. Au and his family members commenced the production of SDM printers by establishing Kongyue Printing. The Group was founded by Mr. Au in 1998 through the establishment of Kongyue Information. Mr. Au is an honorary citizen of Jiangmen. Mr. Au has entered into a service agreement with the Company for a term of 3 years from June 2014. Mr. Au is entitled to an annual remuneration of HK\$1,920,000 (not including housing allowance, the use of a company car and reimbursement of related outgoing & payments). The remuneration package of Mr. Au is determined by the Board with reference to his duties and responsibilities with the Company, the Company’s current standards for emoluments and market conditions and is subject to review by the Board from time to time. Mr. Au is the father of Mr. Au Kwok Lun, the Chief Executive Officer, and Mr. Ou Guo Liang, an executive Director. Ms. Tai Noi Kit is the spouse of Mr. Au. Mr. Au and Ms. Tai Noi Kit are each interested in 20% of Kytronics Holdings Limited and are the substantial shareholders of the Company. As at the Latest Practicable Date, Mr. Au was interested in 2 shares, equivalent to 40% in Kytronics Holdings Limited, the Controlling Shareholder of the Company, which was interested in 394,285,533 Shares in the Company.

Save as disclosed above, as at the Latest Practicable Date, (i) Mr. Au has not held any directorships in any other listed public companies in the three years immediately prior to the issue of this circular; (ii) Mr. Au does not have any relationships with any other Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; (iii) Mr. Au did not have or was not deemed to have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; and (iv) there is no information required to be disclosed in relation to Mr. Au pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Mr. Ou Guo Liang (“Mr. Ou”), aged 39, is an Executive Director of the Company. He assists the chief executive officer in formulation of strategy, development of new business and the management of sales and marketing networks. He has over 15 years of experience in sales and marketing. Mr. Ou obtained a bachelor of economics degree in international corporate management from the Central University of Finance and Economics (中央財經大學) in 1998. Mr. Ou joined the Group in November 1998. He is the son of Mr. Au Pak Yin and the brother of Mr. Au Kwok Lun. Mr. Ou has entered into a service agreement with the Company for a term of 3 years from June 2014. Mr. Ou is entitled to an annual remuneration of HK\$500,000 (not including housing allowance, the use of a company car and reimbursement of related outgoing & payments). The remuneration package of Mr. Ou is determined by the Board with reference to his duties and responsibilities with the Company, the Company’s current standards for emoluments and market conditions and is subject to review by the Board from time to time. Mr. Ou is the brother of Mr. Au Kwok Lun, the Chief Executive Officer, and the son of Mr. Au Pak Yin, an executive Director, and Ms Tai Noi Kit, the spouse of Mr. Au Pak Yin. Mr. Au Pak Yin

and Ms. Tai Noi Kit are each interested in 20% of Kytronics Holdings Limited and are the substantial shareholders of the Company. As at the Latest Practicable Date, Mr. Ou was interested in 1 share, equivalent to 20% in Kytronics Holdings Limited, the Controlling Shareholder of the Company, which was interested in 394,285,533 Shares in the Company.

Save as disclosed above as at the Latest Practicable Date, (i) Mr. Ou has not held any directorships in any other listed public companies in the last three years immediately prior to the issue of this circular; (ii) Mr. Ou does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; (iii) Mr. Ou did not have or was not deemed to have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; and (iv) there is no information required to be disclosed in relation to Mr. Ou pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

Mr. Yeung Kwok-Keung (“Mr. Yeung”), aged 67, was appointed a non-executive director of the Company on 1 August 2011 and assumed the role of an Independent Non-Executive Director since 21 October 2013. He was involved in information technology, logistics and venture capital investment until his retirement in 2008. As a Distinguished Fellow of the Hong Kong Computer Society, Mr. Yeung had also served as its President. He was also the Chairman of the Information Technology Committee of the Hong Kong SAR Government.

Mr. Yeung participated broadly in public and community services, and served on professional bodies for many years. He had also served on a variety of high level advisory bodies in academia, industry and the government. He was a member of Hong Kong Productivity Council, Hong Kong Vocational Council and Hong Kong Logistics Council.

He is a Justice of the Peace in Hong Kong and an honorary citizen of Changchun.

Mr. Yeung has entered into an appointment letter with the Company for a term of 3 years from August 2014, subject to retirement and re-election in accordance with the articles of association of the Company. Pursuant to the terms of the appointment letter, Mr. Yeung is entitled to an annual director fee of HK\$240,000 which is determined by the Board with reference to his duties and responsibilities with the Company, the Company’s current standards for emoluments and market conditions and is subject to review by the Board from time to time. Save as disclosed above, as at the Latest Practicable Date, (i) Mr. Yeung has not held any directorships in any other listed public companies in the three years immediately prior to the issue of this circular; (ii) Mr. Yeung does not have any relationships with any Directors, senior management or substantial or controlling shareholders (as defined in the Listing Rules) of the Company; (iii) Mr. Yeung did not have or was not deemed to have any interests in the shares or underlying shares of the Company within the meaning of Part XV of the SFO; and (iv) there is no information required to be disclosed in relation to Mr. Yeung pursuant to any of the requirements under the provisions of Rules 13.51(2)(h) to 13.51(2)(w) of the Listing Rules.

This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the proposed Share Buy-back Mandate.

SHARES IN ISSUE

As at the Latest Practicable Date, the Company had a total of 603,591,987 Shares of HK\$0.01 each in issue. Subject to the passing of the resolution granting the proposed mandate to buyback its own securities and on the basis that there will be no change to the number of Shares in issue before the AGM, the Company will be allowed to buyback a maximum of 60,359,198 Shares, representing 10% of the total number of issued Shares as at the date of passing of the resolution, during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS FOR BUYBACK

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Company to buyback its securities in the market. Such buyback may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share and will only be made when the Directors believe that such buyback will benefit the Company and the Shareholders as a whole.

FUNDING OF BUYBACKS

Any buyback of securities of the Company made pursuant to the proposed Share Buy-back Mandate would be made out of funds which are legally available for the purpose in accordance with the memorandum and articles of association of the Company, the Listing Rules and the applicable Cayman Islands laws. Under the Cayman Islands law, buyback by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose of the buyback or, subject to the statutory test of solvency, out of capital. The premium, if any, payable on the buyback, shall be provided for out of profits of the Company or from sums standing to the credit of the share premium account of the Company or, subject to the statutory test of solvency, out of capital.

FINANCIAL IMPACT

The Directors have no present intention to buyback any Shares and they would only exercise the power to buyback in circumstances where they consider that the buyback would be in the best interests of the Company and the Shareholders and in circumstances where they consider that the Shares can be bought back on terms favourable to the Company. The Directors anticipate that if the general mandate to buyback securities were to be exercised in full at the currently prevailing market value, it may have a material adverse impact on the working capital and gearing level of the Company by referring to the audited financial statements of the Company as at 31 December 2014. The Directors do not propose to exercise the mandate to buyback securities to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICE

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months prior to the Latest Practicable Date:

	Price Per share	
	Highest (HK\$)	Lowest (HK\$)
2014		
April	2.35	1.39
May	2.21	1.55
June	2.33	1.68
July	2.39	1.93
August	2.20	1.88
September	2.32	2.00
October	2.31	2.15
November	2.18	1.96
December	2.01	1.60
2015		
January	1.95	1.77
February	1.91	1.70
March	2.10	1.75
April (up to the Latest Practicable Date)	2.10	1.90

EFFECT OF THE TAKEOVERS CODE

If as a result of a buyback of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code as a result of any such increase.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the following Shareholders were interested in 5% or more of the issued Shares as recorded in the register of interests and short positions of the Company under section 366(1) of Part XV of the SFO:

Shareholder	Number of share held <i>(Note 1)</i>	Approximately percentage of shareholding as at the Latest Practical Date	Approximate percentage of shareholding if Repurchase Mandate is exercised in full
Kytronics Holdings Limited	394,285,533(L)	65.32	72.58
Ms. Tai Noi Kit ^(Note 2)	394,285,533(L)	65.32	72.58
Kent C. McCarthy ^(Note 3)	79,826,000(L)	13.23	14.69

Notes:

1. The letter "L" denotes the person's long position in such securities.
2. 394,285,533 shares were owned by Kytronics Holdings Limited. The issued share capital of Kytronics Holdings Limited is owned as to 20% by each of Ms. Tai Noi Kit and her spouse Mr. Au Pak Yin. Ms. Tai Noi Kit and Mr. Au Pak Yin are therefore deemed to be interested in these Shares by virtue of their interests in Kytronics Holding Limited pursuant to Part XV of the SFO and the increase in the shareholding of above Shareholders will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.
3. 70,372,000 shares and 9,454,000 shares were held by Jayhawk Private Equity Fund II, L.P. and Kent C. McCarthy Revocable Trust respectively, which are wholly owned by Kent C. McCarthy.

In the event that the above Shareholders did not dispose of his/her/its Shares and if the Share Buy-back Mandate was exercised in full, the total interests of the above Shareholders would be increased to approximately the respective percentages shown in the last column above and the increase in the shareholding of above Shareholders will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to make share buyback on the Stock Exchange to such extent as may result in the public shareholding of less than such prescribed minimum percentage under the Listing Rules.

SHARE BUYBACK MADE BY THE COMPANY

No buyback of shares was made by the Company on the Stock Exchange during the six months preceding the Latest Practicable Date.

GENERAL

To the best of their knowledge and having made all reasonable enquiries of Directors, none of the Directors or any of their close associates currently intends to sell Shares to the Company or its subsidiaries. The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the proposed Share Buy-back Mandate in accordance with the Listing Rules and applicable Cayman Islands laws.

No core connected persons of the Company have notified the Company that he has a present intention to sell Shares held by them to the Company, or have undertaken not to do so in the event that the Company is authorised to make buyback of the Shares.

This appendix summarizes the principal terms of the New Share Option Scheme.

(a) PURPOSE

The New Share Option Scheme is a share incentive scheme prepared in accordance with Chapter 17 of the Listing Rules and is established to recognise and acknowledge the contributions that the Eligible Participants (as defined in paragraph (b) below) had or may have made to the Group. The New Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives:

- (i) motivate the Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attract and retain or otherwise maintain an on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

(b) WHO MAY JOIN

The Board may, at its discretion, offer to grant an option to the Eligible Participants to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (f) below.

Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot of dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting the acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

(c) ACCEPTANCE OF AN OFFER OF OPTIONS

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptances of the options duly signed by the grantee, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date. Such payment shall in no circumstances be refundable. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

Subject to paragraphs (l), (m), (n), (o) and (p), an Option shall be exercised in whole or in part and, other than where it is exercised to the full extent outstanding, shall be exercised in integral multiples of such number of Shares as shall represent one board lot for dealing in Shares on the Stock Exchange for the time being, by the grantee by giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the Exercise Price for the Shares in respect of which the notice is given. Within 21 days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate by the auditors to the Company or the approved independent financial adviser as the case may be pursuant to paragraph (r), the Company shall allot and issue the relevant number of Shares to the grantee credited as fully paid and issue to the Grantee certificates in respect of the Shares so allotted.

The exercise of any Option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company.

(d) MAXIMUM NUMBER OF SHARES

The maximum number of Shares in respect of which options may be granted under the New Share Option Scheme and under any other schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the date of the passing of the resolution for the adoption of the New Share Option Scheme (i.e. 60,359,198 Shares, assuming there is no change in the total number of Shares in issue from the Latest Practicable Date). Subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

- (i) renew this limit at any time to 10% of the Shares in issue as at the date of the approval by the Shareholders in general meeting; and/or
- (ii) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board. The circular issued by the Company to the Shareholders shall contain a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing and subject to paragraph (r) below, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any schemes of the Company (including the New Share Option Scheme) if this will result in the 30% limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of the Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of the Company in accordance with paragraph (r) below whether by way of consolidation, capitalisation issue, rights issue, sub-division or reduction of the share capital of the Company but in no event shall exceed the limit prescribed in this paragraph.

(e) MAXIMUM NUMBER OF OPTIONS TO ANY ONE INDIVIDUAL

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the New Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to and including the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by the Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant), the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and
- (ii) the approval of the Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his close associates (as defined in the Listing Rules) (or his/her associates if the Eligible Participant is a connected person) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before the Shareholders' approval and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of the Shares. The Board shall forward to such Eligible Participant an offer document in such form as the Board may from time to time determine (or, alternatively, documents accompanying the offer document which state), among others:
 - (aa) the Eligible Participant's name, address and occupation;
 - (bb) the date on which an Option is offered to an Eligible Participant which must be a date on which the Stock Exchange is open for the business of dealing in securities;
 - (cc) the date upon which an offer for an Option must be accepted;
 - (dd) the date upon which an Option is deemed to be granted and accepted in accordance with paragraph (c);
 - (ee) the number of Shares in respect of which the Option is offered;
 - (ff) the subscription price and the manner of payment of such price for the Shares on and in consequence of the exercise of the Option;
 - (gg) the date of the notice given by the grantee in respect of the exercise of the Option; and
 - (hh) the method of acceptance of the Option which shall, unless the Board otherwise determines, be as set out in paragraph (c).

(f) PRICE OF SHARES

Subject to any adjustments made as described in paragraph (r) below, the subscription price of a Share in respect of any particular option granted under the New Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price must be at least the higher of:

- (i) the official closing price of the Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (ii) the average of the official closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Share.

(g) GRANTING OPTIONS TO CONNECTED PERSONS

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options). If the Board proposes to grant options to a substantial shareholder or any independent non-executive Director or their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% or such other percentage as may be from time to time provided under the Listing Rules of the Shares in issue; and
- (ii) having an aggregate value in excess of HK\$5 million or such other sum as may be from time to time provided under the Listing Rules, based on the official closing price of the Shares at the date of each grant, such further grant of options will be subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting on a poll at which the grantee, his/her associates and all core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting in favour, and/or such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such options shall be taken as a poll.

The circular to be issued by the Company to the Shareholders pursuant to the above paragraph shall contain the following information:

- (i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant which must be fixed before the Shareholders' meeting and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;

- (ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent Shareholders as to voting;
- (iii) the information required under Rule 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
- (iv) the information required under Rule 2.17 of the Listing Rules.

(h) RESTRICTIONS ON THE TIMES OF GRANT OF OPTIONS

A grant of options may not be made after a price sensitive event has occurred or after inside information has come to the knowledge of the Company until it has been published pursuant to the requirements of the Listing Rules and the Inside Information Provisions of Part XIVA of the SFO. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date to first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's annual results or half-year, quarterly or other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to publish an announcement of its annual results or half-year, or quarterly or other interim period (whether or not required under the Listing Rules),

and ending on the date of actual publication of the results announcement, and where an option is granted to a Director:

- (i) no options shall be granted during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (ii) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

(i) RIGHTS ARE PERSONAL TO GRANTEE

An option is personal to the grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option or attempt so to do (save that the grantee may nominate a nominee in whose name the Shares issued pursuant to the New Share Option Scheme may be registered). Any breach of the foregoing shall entitle the Company to cancel any outstanding options or any part thereof granted to such grantee.

(j) TIME OF EXERCISE OF OPTION AND DURATION OF THE NEW SHARE OPTION SCHEME

An option may be exercised in accordance with the terms of the New Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the New Share Option Scheme. Subject to earlier termination by the Company in general meeting or by the Board, the New Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption.

(k) PERFORMANCE TARGET

A grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the New Share Option Scheme can be exercised.

(l) RIGHTS ON CEASING EMPLOYMENT OR DEATH

If the grantee of an option ceases to be an employee of the Company or any of its subsidiaries:

- (i) by any reason other than death or termination of his employment on the grounds specified in paragraph (m) below, the grantee may exercise the option up to the entitlement of the grantee as at the date of cessation (to the extent not already exercised) within a period of one month from such cessation; or
- (ii) by reason of death, his personal representative(s) may exercise the option within a period of 12 months from such cessation, which date shall be the last actual working day with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse.

(m) RIGHTS ON DISMISSAL

If the grantee of an option ceases to be an employee of the Company or any of its subsidiaries on the grounds that he has been guilty of serious misconduct, or in relation to an employee of the Group (if so determined by the Board) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Group, or has been convicted of any criminal offense involving his integrity or honesty, his option will lapse and not be exercisable after the date of termination of his employment.

(n) RIGHTS ON TAKEOVER

If a general offer is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional during the option

period of the relevant option, the grantee of an option shall be entitled to exercise the option in full (to the extent not already exercised) at any time within 14 days after the date on which the offer becomes or is declared unconditional.

(o) RIGHTS ON WINDING-UP

In the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time not later than two business days prior to the proposed general meeting of the Company referred to above by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid and register the grantee as holder thereof.

(p) RIGHTS ON COMPROMISE OR ARRANGEMENT BETWEEN THE COMPANY AND ITS MEMBERS OR CREDITORS

If a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of a scheme for the reconstruction of the Company or its amalgamation with any other companies pursuant to the laws of jurisdictions in which the Company was incorporated, the Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme or arrangement and any grantee may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given (such notice to be received by the Company not later than two business days prior to the proposed meeting), exercise the option to its full extent or to the extent specified in the notice and the Company shall as soon as possible and in any event no later than the business day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the grantee which fails to be issued on such exercise of the option credited as fully paid and register the grantee as holder thereof.

With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of grantees to exercise their respective options shall with effect from such termination be restored in full but only upon the extent not already exercised and shall become exercisable.

(q) RANKING OF SHARES

The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will rank *pari passu* in all respects and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully-paid Shares in issue on the date of exercise.

(r) EFFECT OF ALTERATIONS TO CAPITAL

In the event of any alteration in the capital structure of the Company whilst any option may become or remains exercisable, whether by way of capitalisation issue, rights issue, open offer, consolidation, sub-division or reduction of share capital of the Company, such corresponding alterations (if any) shall be made in the number or nominal amount of Shares subject to any options so far as unexercised and/or the subscription price per Share of each outstanding option as the auditors of the Company or an independent financial adviser shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance issued by the Stock Exchange on 5 September 2005 and any future guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time and the note thereto. The capacity of the auditors of the Company or the approval independent financial adviser, as the case may be, in this paragraph is that of experts and not arbitrations and their certificate shall, in absence of manifest error, be final and conclusive and binding on the Company and the grantees.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the issued share capital of the Company for which any grantee of an Option is entitled to subscribe pursuant to the Options held by him before such alteration and the aggregate subscription price payable on full exercise of any option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such alteration will be made the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

(s) EXPIRY OF OPTION

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the date of expiry of the option as may be determined by the Board;
- (ii) the expiry of any of the periods referred to in paragraphs (l), (m), (n), (o) or (p);
- (iii) the date on which the scheme of arrangement of the Company referred to in paragraph (p) becomes effective;
- (iv) subject to paragraph (o), the date of commencement of the winding-up of the Company;
- (v) the date on which the grantee ceases to be an Eligible Participant by reason of such grantee's resignation from the employment of the Company or any of its subsidiaries or the termination of his or her employment or contract on any one or more of the grounds that he or she has been guilty of serious misconduct, or has been convicted of any criminal offense involving his or her integrity or honesty, or in relation to an employee of the Group (if so determined by the Board), or has been insolvent, bankrupt or has made compositions with his/her creditors generally or any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's

service contract with the Group. A resolution of the Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; or

- (vi) the date on which the Board shall exercise the Company's right to cancel the option at any time after the grantee commits a breach of paragraph (i) above or the options are cancelled in accordance with paragraph (u) below.

(t) ALTERATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (i) any alteration to the advantage of the grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; and
- (ii) any material alteration to the terms and conditions of the New Share Option Scheme or any change to the terms of options granted,

shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the New Share Option Scheme. The amended terms of the New Share Option Scheme shall still comply with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme must be approved by Shareholders in general meeting.

(u) CANCELLATION OF OPTIONS

Subject to paragraph (i) above, any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing. For the avoidance of doubt, such approval is not required in the event any Option is cancelled pursuant to paragraph (m).

(v) TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company may by resolution in general meeting or the Board at any time terminate the New Share Option Scheme and in such event no further option shall be offered but the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

(w) ADMINISTRATION OF THE BOARD

The New Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the New Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

NOTICE OF AGM

Jolimark

映美

JOLIMARK HOLDINGS LIMITED

映美控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(stock code: 2028)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (“**Meeting**”) of Jolimark Holdings Limited (“**Company**”) will be held at Unit 01, 23A Floor, K. Wah Centre, 191 Java Road, North Point, Hong Kong on 18 May 2015 at 11:00 a.m. for the following purposes:

1. To receive, consider and adopt the audited Consolidated Financial Statements of the Company and its subsidiaries and the Reports of the Directors and Auditors for the year ended 31 December 2014.
2. To declare a Final and Special Dividend for the year ended 31 December 2014.
3.
 - A. To re-elect Mr. Au Pak Yin as an Executive Director.
 - B. To re-elect Mr. Ou Guo Liang as an Executive Director.
 - C. To re-elect Mr. Yeung Kwok Keung as an Independent Non-Executive Director.
4. To authorise the board of Directors to fix the Directors’ remuneration.
5. To re-appoint PricewaterhouseCoopers as auditors and to authorise the board of Directors to fix their remuneration.
6. As special business, to consider and if thought fit, pass the following resolutions as Ordinary Resolution:

ORDINARY RESOLUTION

“**THAT:**

- (a) subject to sub-paragraph (c) of this resolution, the exercise by the Directors of the Company (“**Directors**”) during the Relevant Period (as hereinafter defined) of all the power of the Company to allot, issue or otherwise deal with additional shares of the Company (“**Shares**”) or securities convertible into Shares, options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval given in sub-paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF AGM

- (c) the total number of share of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given in sub-paragraph (a) of this resolution, otherwise than pursuant to:
- (i) a Rights issue (as hereinafter defined);
 - (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares;
 - (iii) the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to eligible persons of Shares or rights to acquire shares of the Company; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company,

shall not exceed twenty per cent of the total number of issued shares of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution in general meeting of the Company.

“**Rights issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares whose names stand on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

NOTICE OF AGM

7. As special business to consider and if thought fit, pass the following resolutions are Ordinary Resolution:

ORDINARY RESOLUTION

“**THAT:**

- (a) subject to sub-paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the power of the Company to buyback its own Shares on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or any other stock exchange on which the securities of the Company may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Code on Share Buybacks, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;
 - (b) the aggregate nominal amount of Shares which may be bought back by the Company pursuant to sub-paragraph (a) of this Resolution during the Relevant Period shall not exceed 10 per cent of the total number of issued Shares of the Company at the date of the passing of this Resolution and the approval granted under paragraph (a) of this Resolution should be limited accordingly; and
 - (c) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution in general meeting of the Company.”
8. As special business, to consider and if thought fit, pass the following resolutions as Ordinary Resolution:

ORDINARY RESOLUTION

“**THAT**, conditional upon the passing of the resolutions 6 and 7 in the notice convening the Meeting, the general mandate granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with additional securities of the Company pursuant to resolution 6 as set out in the notice convening the Meeting be and is hereby extended by the

NOTICE OF AGM

addition amount representing the total number of issued Shares of the Company by the Company under the authority granted pursuant to resolution 7 as set out in the notice convening the Meeting provided that such amount shall not exceed 10 per cent of the total number of issued Shares of the Company at the date of the passing of this resolution.”

9. “**THAT** conditional upon The Stock Exchange of Hong Kong Limited granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the share option scheme referred to in the circular dispatched to the shareholders on the same day as this notice, the terms of which are set out in the printed document marked “A” now produced to the Meeting and for the purpose of identification signed by the Chairman hereof (the “**Share Option Scheme**”), the Share Option Scheme be approved and adopted to be the share option scheme of the Company and that the Directors of the Company be authorised to grant options thereunder and to allot and issue shares pursuant to the Share Option Scheme and take all such steps as may be necessary or desirable to implement such Share Option Scheme.”
10. “**THAT** conditional upon the passing of resolution 9 set out in the notice convening the meeting of which this resolution forms part, the existing share option scheme of the Company adopted on 27 June 2005 be and is hereby terminated with immediate effect and that the Directors of the Company be authorised to take all such steps as may be necessary or desirable to implement this resolution.”

On behalf of the Board
Au Pak Yin
Chairman

Hong Kong, 15 April 2015

Notes:

- (1) Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on the poll, vote in his stead. A proxy need not be a member of the Company.
- (2) To be valid, a form of proxy, together with the power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy of that power attorney or authority must be delivered to the Company’s branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
- (3) The register of members for entitlement to attend and vote at AGM will be closed from Wednesday, 13 May 2015 to Monday, 18 May 2015 (both days inclusive) during which period no transfer of shares will be effected. In order to be entitled to attend and vote at the Meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s branch 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 Tuesday, 12 May 2015.
- (4) The register of members to qualify for the final and special dividend will be closed from Friday, 22 May 2015 to Wednesday, 27 May 2015 (both days inclusive) during which period no transfer of shares will be effected. In order to qualify for the proposed final and special dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s branch 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 Thursday, 21 May 2015.

NOTICE OF AGM

- (5) Where there are joint registered holders of any share, any one of such persons may vote at the Meeting, either personal or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for the purpose seniority shall be determined by the order in which name stand in the register of members in respect of the joint holdings.
- (6) Please refer to Appendix I of the Circular dated 15 April 2015 for the detail of retiring Directors subject to re-election at the Meeting.
- (7) An explanatory statement regarding the general mandate of the buyback of Shares sought in the above Resolution 7 is set out in Appendix II of the Circular dated 15 April 2015.
- (8) Please refer to Appendix III of the Circular dated 15 April 2015 for the principal terms of the new share option scheme.
- (9) As at the date of the notice, the Executive Directors are Mr. Au Pak Yin, Mr. Au Kwok Lun and Mr. Ou Guo Liang; Independent Non-Executive Directors are Mr. Lai Ming, Joseph, Mr. Meng Yan, Mr. Xu Guangmao and Mr. Yeung Kwok Keung.