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JOLIMARK HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2028)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2011

UNAUDITED CONSOLIDATED RESULTS

The board of directors (the “Board”) of Jolimark Holdings Limited (the “Company”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2011, together with the comparative figures for the corresponding period of last year as follows:

Condensed Consolidated Interim Income Statement

		Six months ended 30 June	
		2011	2010
	<i>Note</i>	Unaudited RMB'000	Unaudited RMB'000
Revenue	4	275,821	194,465
Cost of goods sold		(203,136)	(146,756)
Gross profit		72,685	47,709
Other income		3,919	2,482
Selling and marketing costs		(13,524)	(11,888)
Administrative expenses		(25,601)	(22,591)
Other gains/(losses) — net	5	253	(5,597)
Operating profit	6	37,732	10,115
Finance income — net		1,036	89
Share of losses of an associate		(2)	(4)
Profit before income tax		38,766	10,200
Income tax expenses	7	(5,361)	(2,176)
Profit for the period		33,405	8,024

		Six months ended 30 June	
		2011	2010
		Unaudited	Unaudited
		RMB'000	RMB'000
Note			
Profit attributable to:			
	— Shareholders of the Company	32,895	7,123
	— Non-controlling interests	<u>510</u>	<u>901</u>
		<u>33,405</u>	<u>8,024</u>
Earning per share for profit attributable to the shareholders of the Company (expressed in RMB per share)			
	— Basic	8 <u>0.059</u>	<u>0.013</u>
	— Diluted	8 <u>0.059</u>	<u>0.013</u>
Dividend	9	<u>28,024</u>	<u>—</u>

Condensed Consolidated Interim Statement of Comprehensive Income

	Six months ended 30 June	
	2011	2010
	Unaudited	Unaudited
	RMB'000	RMB'000
Profit for the period	33,405	8,024
Other comprehensive income for the period	<u>—</u>	<u>—</u>
Total comprehensive income for the period	<u>33,405</u>	<u>8,024</u>
Total comprehensive income for the period attributable to:		
— Shareholders of the Company	32,895	7,123
— Non-controlling interests	<u>510</u>	<u>901</u>
	<u>33,405</u>	<u>8,024</u>

Condensed Consolidated Interim Balance Sheet

		As at	
		30 June	31 December
		2011	2010
		Unaudited	Audited
	Note	RMB'000	RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment		85,132	88,843
Land use right		10,178	10,322
Intangible assets		743	807
Investment in an associate		159	161
Available-for-sale financial assets		500	500
Deferred income tax assets		88	61
Total non-current assets		96,800	100,694
Current assets			
Inventories		164,546	137,499
Trade and other receivables	10	47,263	62,216
Financial assets at fair value through profit or loss		18,884	18,688
Restricted cash		36,758	72,532
Cash and cash equivalents		216,072	257,483
Total current assets		483,523	548,418
Total assets		580,323	649,112
EQUITY			
Capital and reserves attributable to shareholders of the Company			
Share capital and premium		176,649	224,428
Other reserves		193,235	193,879
Retained earnings			
— Proposed dividend		28,024	—
— Unappropriated retained earnings		30,726	25,855
		428,634	444,162
Non-controlling interests		12	15,982
Total equity		428,646	460,144

		As at	
		30 June	31 December
		2011	2010
		Unaudited	Audited
	Note	RMB'000	RMB'000
LIABILITIES			
Current liabilities			
Trade and other payables	11	114,182	120,399
Current income tax liabilities		4,230	750
Borrowings		<u>33,265</u>	<u>67,819</u>
Total liabilities		<u>151,677</u>	<u>188,968</u>
Total equity and liabilities		<u><u>580,323</u></u>	<u><u>649,112</u></u>
Net current assets		<u><u>331,846</u></u>	<u><u>359,450</u></u>
Total assets less current liabilities		<u><u>428,646</u></u>	<u><u>460,144</u></u>

Condensed Consolidated Interim Statement of Changes in Equity

	Attributable to shareholders of the Company			Non- controlling interests	Total equity
	Share	Other	Retained		
	capital and	reserves	earnings		
	premium				
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2010	<u>261,455</u>	<u>191,704</u>	<u>(465)</u>	<u>15,407</u>	<u>468,101</u>
Comprehensive income					
Total comprehensive income for the six months ended 30 June 2010	<u>—</u>	<u>—</u>	<u>7,123</u>	<u>901</u>	<u>8,024</u>
Transactions with shareholders in their capacity as shareholders:					
Share options granted to employees	—	56	—	—	56
Re-purchase and cancellation of shares of the Company	(3,830)	—	—	—	(3,830)
Dividends relating to 2009 (note 9(b))	<u>(32,558)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(32,558)</u>
Transactions with shareholders	<u>(36,388)</u>	<u>56</u>	<u>—</u>	<u>—</u>	<u>(36,332)</u>
Balance at 30 June 2010	<u>225,067</u>	<u>191,760</u>	<u>6,658</u>	<u>16,308</u>	<u>439,793</u>
Balance at 1 January 2011	<u>224,428</u>	<u>193,879</u>	<u>25,855</u>	<u>15,982</u>	<u>460,144</u>
Comprehensive income					
Total comprehensive income for the six months ended 30 June 2011	<u>—</u>	<u>—</u>	<u>32,895</u>	<u>510</u>	<u>33,405</u>
Transactions with shareholders in their capacity as shareholders:					
Share options granted to employees	—	4	—	—	4
Exercise of share options	395	(128)	—	—	267
Dividends relating to 2010 (note 9(b))	(48,174)	—	—	—	(48,174)
Acquisition of additional interest in a subsidiary	<u>—</u>	<u>(520)</u>	<u>—</u>	<u>(16,480)</u>	<u>(17,000)</u>
Transactions with shareholders	<u>(47,779)</u>	<u>(644)</u>	<u>—</u>	<u>(16,480)</u>	<u>(64,903)</u>
Balance at 30 June 2011	<u>176,649</u>	<u>193,235</u>	<u>58,750</u>	<u>12</u>	<u>428,646</u>

Notes to the Condensed Consolidated Interim Financial Information

1. GENERAL INFORMATION

- (a) Jolimark Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 22 July 2004 as an exempted company with limited liability under the Companies Law (2003 Revision) of the Cayman Islands. The address of its registered offices is Clifton House, 75 Fort Street, PO Box 1350 GT, George Town, Grand Cayman, Cayman Islands.
- (b) The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the “Group”) are manufacture and sale of printers, tax control equipment and other electronic products manufacturing in the People’s Republic of China (the “PRC”).
- (c) The Company had its primary listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 29 June 2005.
- (d) The condensed consolidated interim financial information was approved for issue by the board of directors of the Company on 29 August 2011.
- (e) This condensed consolidated interim financial information has not been audited.

2. BASIS OF PREPARATION

The condensed consolidated interim financial information for the six months ended 30 June 2011 has been prepared in accordance with Hong Kong Accounting Standard 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRSs”).

3. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in those annual financial statements.

Exceptional items are disclosed and described separately in the financial information where it is necessary to provide further understanding of the financial performance of the Group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

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

(a) Amendments to existing standards adopted by the Group

The following amendments to standards are mandatory for the first time for the financial year beginning 1 January 2011.

- HKAS 24 (Revised), “Related Party Disclosures” is effective for annual period beginning on or after 1 January 2011. It introduces an exemption from all of the disclosure requirements of HKAS 24 for transactions among government related entities and the government. It also clarifies and simplifies the definition of a related party. This has no significant impact on the Group’s financial statements.

- HKAS 34 (Amendment), “Interim financial reporting” is effective for annual periods beginning on or after 1 January 2011. It emphasises the existing disclosure principles in HKAS 34 and adds further guidance to illustrate how to apply these principles. Greater emphasis has been placed on the disclosure principles for significant events and transactions. Additional requirements cover disclosure of changes to fair value measurement (if significant), and the need to update relevant information from the most recent annual report. The change in accounting policy only results in additional disclosures.

(b) Amendments and interpretations to existing standards effective in 2011 but not relevant to the Group

- HKAS 32 (Amendment), “Classification of rights issues” is effective for annual periods beginning on or after 1 February 2010. This is not currently applicable to the Group, as it has not made any rights issue.
- HK(IFRIC)-Int 14 (Amendment), “Prepayments of a minimum funding requirement” is effective for annual periods beginning on or after 1 January 2011. This is not currently relevant to the Group, as it does not have a minimum funding requirement.
- HK(IFRIC)-Int 19, “Extinguishing financial liabilities with equity instruments” is effective for annual periods beginning on or after 1 July 2010. This is not currently applicable to the Group, as it has no extinguishment of financial liabilities replaced with equity instruments currently.
- HKFRS 1 (Amendment), “Limited exemption from comparative HKFRS 7 disclosures for first-time adopters” is effective for annual periods beginning on or after 1 July 2010. This is not relevant to the Group as it is existing HKFRSs preparer.
- Third improvements to HKFRSs (2010) were issued in May 2010 by the HKICPA, except for amendment to HKAS 34 “Interim financial reporting” as disclosed in note 3(a), all are not currently relevant to the Group. All improvements are effective for annual periods beginning on or after 1 January 2011.

4. SEGMENT INFORMATION

The directors and chief executive officer of the Group are the chief operating decision-maker (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 excludes other income, administrative expenses, other gains/(losses), finance income and income tax expenses, which are centrally managed for the Group. Other information provided to the CODM is measured in a manner consistent with that in the financial statements.

The segment revenue and results and the reconciliation with profit for the six months ended 30 June 2011 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))	231,868	43,953	275,821
Segment results	52,147	7,012	59,159
Other income			3,919
Administrative expenses			(25,601)
Other gains — net			253
Finance income — net			1,036
Income tax expenses			(5,361)
Profit for the period			33,405
Segment results include:			
Share of losses of an associate	(2)	—	(2)
Depreciation and amortisation	(3,035)	(1,455)	(4,490)

The segment revenue and results and the reconciliation with profit for the six months ended 30 June 2010 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))	137,465	57,000	194,465
Segment results	27,725	8,092	35,817
Other income			2,482
Administrative expenses			(22,591)
Other losses — net			(5,597)
Finance income — net			89
Income tax expenses			(2,176)
Profit for the period			8,024
Segment results include:			
Share of losses of an associate	(4)	—	(4)
Depreciation and amortisation	(3,220)	(1,333)	(4,553)

(a) Revenues from external customers are for sales of goods. There are no inter-segment sales for the six months ended 30 June 2011 (six months ended 30 June 2010: nil).

5. OTHER GAINS/(LOSSES) — NET

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
Foreign exchange (losses)/gains	(169)	318
Gains/(losses) on financial assets at fair value through profit or loss — net (<i>note (a)</i>)	<u>422</u>	<u>(5,915)</u>
	<u>253</u>	<u>(5,597)</u>

(a) Amounts represent the gains/(losses) from the investments in listed equity securities.

6. OPERATING PROFIT

The following items have been charged/(credited) to the operating profit during the period:

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
Inventory write-downs	638	931
Reversal for impairment of receivables	<u>—</u>	<u>(150)</u>

7. INCOME TAX EXPENSES

	Six months ended 30 June	
	2011	2010
	RMB'000	RMB'000
Current income tax		
— Hong Kong profits tax	—	—
— PRC corporate income tax	<u>(5,388)</u>	<u>(1,827)</u>
	(5,388)	(1,827)
Deferred income tax	<u>27</u>	<u>(349)</u>
	<u>(5,361)</u>	<u>(2,176)</u>

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

Hong Kong profits tax

Hong Kong profits tax has not been provided as the Group did not have any assessable profit in Hong Kong for the six months ended 30 June 2011 (six months ended 30 June 2010: nil).

PRC corporate income tax

The main business of the Group is conducted by Kong Yue Electronics & Information Industry (Xin Hui) Limited (“Kongyue Information”), which is a foreign investment company based in Xinhui City, the PRC. The corporate income tax (the “CIT”) of Kongyue Information is provided for on the basis of its profit reported in the PRC statutory financial statements, adjusted for income and expenses items, which are not assessable or deductible for income tax purpose. Pursuant to the PRC Corporate Income Tax Law (the “CIT Law”), the CIT rate is 25%. In addition, the CIT Law provides, among others, a preferential tax rate of 15% for enterprises qualified as High and New Technology Enterprises (“HNTE”). Kongyue Information was designated as a HNTE for the three years ended 31 December 2010, and therefore it enjoyed a preferential CIT rate at 15% for the three years ended 31 December 2010. During the six months ended 30 June 2011, Kongyue Information has submitted an application to government authorities for being designated as a HNTE for the three years starting from 1 January 2011 but the approval is pending as at the date of this report. Management, after consulting a local qualified independent auditor, has performed an assessment and is of the view that Kongyue Information is qualified as a HNTE and does not foresee any factors causing Kongyue Information not being able to obtain the approval of preferential tax rate at 15%. Thus, management continued to apply CIT rate of 15% in recognition of deferred income tax assets of Kongyue Information as at 30 June 2011 and income tax expenses of Kongyue Information for the six months then ended. The effective CIT rate of other group entities in the PRC is 25% (six months ended 30 June 2010: 25%).

Pursuant to the Detailed Implementation Regulations for implementation of the Corporate Income Tax Law issued on 6 December 2007, withholding income tax of 10% shall be levied on the dividends remitted by the companies established in the PRC to their foreign investors starting from 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are established in Hong Kong and fulfil the requirements the tax treaty arrangements between the PRC and Hong Kong. All dividends coming from the profits generated by the PRC companies after 1 January 2008 shall be subject to this withholding income tax.

As at 30 June 2011, the Group has not accrued any withholding income tax for the earnings of its PRC subsidiaries (six months ended 30 June 2010: nil), because the Group does not have a plan to distribute earnings generated by its PRC subsidiaries in the period from 1 January 2008 to 30 June 2011 in the foreseeable future.

Overseas income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (2003 Revision) of Cayman Islands and accordingly, is exempted from Cayman Islands income tax. Subsidiaries of the Company in the British Virgin Island (the “BVI”) are incorporated under the International Business Companies Act of the BVI and, accordingly, are exempted from income tax in the BVI.

8. EARNING PER SHARE

— Basic

	Six months ended 30 June	
	2011	2010
Profit attributable to the shareholders of the Company (<i>RMB'000</i>)	32,895	7,123
Weighted average number of ordinary shares in issue (<i>shares in thousands</i>)	559,825	562,291
Basic earnings per share (<i>RMB per share</i>)	<u>0.059</u>	<u>0.013</u>

— Diluted

	Six months ended 30 June	
	2011	2010
Profit attributable to the shareholders of the Company (<i>RMB'000</i>)	32,895	7,123
Weighted average number of ordinary shares in issue plus adjustments for share options (<i>shares in thousands</i>)	559,872	562,291
Diluted earnings per share (<i>RMB per share</i>)	<u>0.059</u>	<u>0.013</u>

9. DIVIDEND

	Six months ended 30 June	
	2011	2010
	<i>RMB'000</i>	<i>RMB'000</i>
Interim dividend (<i>note (a)</i>)	<u>28,024</u>	<u>—</u>

- (a) A interim dividend in respect of six months ended 30 June 2011 of HK\$0.061 per ordinary share totaling approximately HK\$34,159,000 (equivalent to RMB28,024,000 translated at the exchange rate prevailing at 29 August 2011) have been declared out of retained earnings at the board meeting on 29 August 2011.

In a meeting held on 25 August 2010, the directors of the Company determined that no interim dividend would be declared for the six months ended 30 June 2010.

- (b) A final dividend relating to 2010 of HK\$0.03 per ordinary share and a special dividend of HK\$0.072 per ordinary share, totaling approximately HK\$57,119,000 (equivalent to RMB48,174,000 translated at the exchange rate prevailing at the date of payments) have been declared out of share premium in the Company's Annual General Meeting on 20 April 2011 and paid during the six months ended 30 June 2011.

A final dividend in respect of 2009 of HK\$0.014 per ordinary share and a special dividend of HK\$0.054 per ordinary share, totaling approximately HK\$38,045,000 (equivalent to RMB32,558,000 translated at the exchange rate prevailing at the date of payments) have been declared out of share premium in the Company's Annual General Meeting on 17 May 2010 and paid during the six months ended 30 June 2010.

10. TRADE AND OTHER RECEIVABLES

	As at	
	30 June 2011 RMB'000	31 December 2010 RMB'000
Trade receivables		
— Third parties	32,209	41,550
— An associate	386	193
— Related parties	<u>959</u>	<u>8,463</u>
	33,554	50,206
Less: provision for impairment of receivables	<u>(4,471)</u>	<u>(4,471)</u>
Trade receivables — net	29,083	45,735
Prepayments		
— Third parties	8,853	4,524
Other receivables		
— Third parties	8,755	9,760
— Related parties	<u>572</u>	<u>2,197</u>
	<u><u>47,263</u></u>	<u><u>62,216</u></u>

As at 30 June 2011, the fair value of trade and other receivables approximate their carrying amounts.

The Group's sales to corporate customers are entered into on credit terms ranging from 30 to 180 days or extended as considered appropriate by the directors of the Company. At 30 June 2011, the ageing analysis of the trade receivables, including amounts due from related parties of trading in nature, was as follows:

	As at	
	30 June 2011 RMB'000	31 December 2010 RMB'000
Less than 30 days	20,071	32,137
31–90 days	6,534	12,000
91–180 days	671	1,027
181–365 days	1,236	—
Over 365 days	<u>5,042</u>	<u>5,042</u>
	<u><u>33,554</u></u>	<u><u>50,206</u></u>

As at 30 June 2011, trade receivables of RMB1,807,000 (31 December 2010: RMB571,000) are past due but not impaired, which are related to a number of customers with no recent history of default; trade receivables of RMB4,471,000 (31 December 2010: RMB4,471,000) are impaired, which are mainly due from certain customers who are in unexpected difficult economic situations, full amount of the receivables is not expected to be recovered.

11. TRADE AND OTHER PAYABLES

	As at	
	30 June	31 December
	2011	2010
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables		
— Third parties	65,334	51,144
— Related parties	<u>14,269</u>	<u>7,586</u>
	79,603	58,730
Other payables to third parties	30,386	45,047
Advances from customers	<u>4,193</u>	<u>16,622</u>
	<u>114,182</u>	<u>120,399</u>

At 30 June 2011, the ageing analysis of the trade payables, including amounts due to related parties of trading in nature, are as follows:

	As at	
	30 June	31 December
	2011	2010
	<i>RMB'000</i>	<i>RMB'000</i>
Less than 30 days	38,254	33,236
31–90 days	26,376	15,269
91–180 days	9,317	5,615
181–365 days	1,315	2,499
Over 365 days	<u>4,341</u>	<u>2,111</u>
	<u>79,603</u>	<u>58,730</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Printer and Tax Control Equipment Business

In the first half of 2011, the sales of printer and tax control equipment business of the Group increased by approximately 69% from the corresponding period of the previous year to approximately RMB231,868,000, representing approximately 84% of the total turnover of the Group. The increase in sales was mainly attributable to the People's Republic of China (the "PRC") government's continued efforts to promote the use of online invoices, which led to a significant increase in the sales of our "Jolimark" invoice printers.

Other Electronic Products Manufacturing Business

The turnover of the other electronic products manufacturing business of the Group decreased by approximately 23% from the corresponding period of the previous year to approximately RMB43,953,000, representing approximately 16% of the total turnover of the Group. The decrease in turnover was mainly attributable to the decrease in orders from OEM customers of the Group.

Financial Review

Result Summary

During the six months ended 30 June 2011, the Group recorded a turnover of approximately RMB275,821,000, increased by approximately 42% from the corresponding period of the previous year, with gross profit margin increased from 24.5% to 26.4%.

During the period, profit attributable to shareholders increased by approximately 362% from the corresponding period of the previous year to approximately RMB32,895,000, while basic earnings per share was RMB0.059, representing an increase of RMB0.046 from the corresponding period of the previous year. The improvement of results was mainly attributable to the PRC government continued to cancel manually issued invoices and promote the use of online invoices which resulted in our printer and tax control equipment business recorded a significant increase in sales by 69% from the previous year, with the sales in our owned brand "Jolimark" invoice printers increased by 73% from the corresponding period of the previous year.

Capital Expenditure

For the six months ended 30 June 2011, capital expenditure amounted to approximately RMB1,990,000, which was mainly related to the purchase of property, plant and equipment.

Liquidity and Financial Position

As at 30 June 2011, the total assets of the Group amounted to approximately RMB580,323,000 (31 December 2010: RMB649,112,000), shareholder's fund amounted to approximately RMB428,634,000 (31 December 2010: RMB444,162,000), non-controlling interests amounted to approximately RMB12,000 (31 December 2010: RMB15,982,000) and current liabilities amounted to approximately RMB151,677,000 (31 December 2010: RMB188,968,000). The current ratio of the Group was approximately 3.2 (31 December 2010: 2.9).

As at 30 June 2011, the cash and cash equivalents of the Group amounted to approximately RMB216,072,000 (31 December 2010: RMB257,483,000) whereas bank loan of the Group amounted to approximately RMB33,265,000 (31 December 2010: 67,819,000). The Group is in a net cash position after setting off the loan amounts.

Acquisition

On 17 December 2010, Jolimark Technology Limited ("Jolimark Technology"), a subsidiary of the Company, and Jiangmen Kong Yue Information Technology Ltd. ("Jiangmen Kong Yue") entered into an acquisition agreement pursuant to which Jolimark Technology agreed to acquire a 5% equity interest in Kongyue Information from the Jiangmen Kong Yue for a consideration of RMB17,000,000. After the completion of the acquisition, Kongyue Information became an indirect wholly-owned subsidiary of the Company.

Contingent Liabilities

The Group had no material contingent liabilities as at 30 June 2011.

Staff

As at 30 June 2011, the Group employed a total 1,160 staff, of which all staff were employed in the PRC except for 13 who were employed in Hong Kong and overseas. The Group implemented its remuneration policy based on the merits of an individual staff member. In addition, fringe benefits such as insurance, medical allowance and pension were provided to ensure the competitiveness of the Group.

Proposed interim dividend and closure of register of members

The Board recommended an interim dividend for 2011 of HK\$0.061 per share to shareholders whose names appear on the register of members on Monday, 21 September 2011.

The register of members of the Company will be closed from 19 September 2011 to 21 September 2011, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all share transfers, accompanied by the relevant share certificates must be lodged with the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 16 September 2011.

Future Business Outlook

As the PRC government continues to promote the use of online invoices, the Group expects a full year growth in performance from the corresponding period of the previous year. The Group will further its efforts in the market development of self-owned brands and research and development of new products for its industry printer equipments. Apart from seizing the opportunity of the PRC's promotion of online invoices, we will also look to becoming a leading provider of printing equipments in the PRC through actively exploring into other fast growing industries in the PRC's consumer market with the greatest potentials for printer applications, such as retail and services, healthcare, personal communication, banking and insurance and logistics. In addition, the Group will strive to improve its operating effectiveness, strengthen its internal management, and continue to trim down inventory levels and waste in order to further enhance its return on capital.

OTHER INFORMATION

Share Option Scheme

Details of the share option scheme were set out in the published annual report of the Company for the year ended 31 December 2010.

The following table discloses movements in the Company's share options during the six months ended 30 June 2011:

Name	Date of grant	Exercise price HK\$	Outstanding at 1.1.2011	Granted during the period	Exercised during the period	Forfeited during the period	Outstanding at 30.6.2011	Exercise period
Employees — Type 1	3 July 2008	0.63	300,000	—	—	—	300,000	Six years from the date of grant (Note 1)
Employees — Type 2	3 July 2008	0.63	500,000	—	(500,000)	—	—	Six years from the date of grant (Note 2)
Total			<u>800,000</u>	<u>—</u>	<u>(500,000)</u>	<u>—</u>	<u>300,000</u>	

Notes:

1. The first 25% of the option can be exercised from the date of grant. The next 25% of the option will become exercisable at the end of nine months after the date of grant. The third 25% of the option will become exercisable at the end of 21 months after the date of grant. The remaining 25% of the option will become exercisable at the end of 33 months after the date of grant.
2. The first 34% of the option can be exercised at the end of 3 months after the date of grant. The next 33% of the option will become exercisable at the end of 15 months after the date of grant. The remaining 33% of the option will become exercisable at the end of 27 months after the date of grant.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2011, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period under review.

THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Directors consider that during the six months ended 30 June 2011, the Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 under the Rules Governing the Listing of Securities on the Stock Exchange.

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 under the Listing Rules as the model code for securities transactions by the relevant Directors. The Company has made specific enquiry of all Directors and the Directors confirmed that, during the six months ended 30 June 2011, they have complied with all the relevant requirements set out in the Model Code.

REVIEW OF CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The Audit Committee is composed of three Independent Non-executive Directors. The unaudited Condensed Consolidated Financial Information of the Group for the six months ended 30 June 2011 had been reviewed by the Audit Committee of the Company.

The unaudited Condensed Consolidated Financial Information of the Group for the six months ended 30 June 2011 had been reviewed by the Company's independent auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

REMUNERATION COMMITTEE

The Company has established a remuneration committee to consider the remunerations for the Directors and senior management of the Company. The remuneration committee comprises Mr. Lai Ming, Joseph, Mr. Meng Yan and Mr. Xu Guangmao who are all Independent Non-Executive Directors and Mr. Au Kwok Lun (Chairman) who is an Executive Director.

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

Hong Kong, 29 August 2011

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