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JOLIMARK HOLDINGS LIMITED

映美控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2028)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

UNAUDITED CONSOLIDATED RESULTS

The board (the “Board”) of directors (the “Directors”) of Jolimark Holdings Limited (the “Company”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2025 (the “Period”) together with the comparative figures for the corresponding period in 2024 as follows:

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

		Six months ended 30 June	
		2025	2024
	<i>Note</i>	Unaudited	Unaudited
		RMB'000	RMB'000
Revenue	4	70,195	84,237
Cost of goods sold		(67,219)	(88,210)
Gross profit/(loss)		2,976	(3,973)
Other income		1,571	691
Selling and marketing expenses		(10,605)	(13,276)
Administrative expenses		(15,127)	(17,695)
Research and development expenses		(7,068)	(6,768)
Net impairment losses reversed on			
financial assets		208	763
Other (losses)/gains – net		(660)	1,728

		Six months ended 30 June	
		2025	2024
		Unaudited	Unaudited
	<i>Note</i>	RMB'000	RMB'000
Operating loss		(28,705)	(38,530)
Finance expenses – net		(2,194)	(2,465)
Share of loss of investments accounted for using the equity method		(14)	(1)
Impairment loss on investment in associates		<u>–</u>	<u>(2,499)</u>
Loss before income tax		(30,913)	(43,495)
Income tax expenses	5	<u>(87)</u>	<u>–</u>
Loss for the period		<u>(31,000)</u>	<u>(43,495)</u>
Loss attributable to:			
– Shareholders of the Company		(30,935)	(43,406)
– Non-controlling interests		<u>(65)</u>	<u>(89)</u>
		<u>(31,000)</u>	<u>(43,495)</u>
Loss per share for loss attributable to the shareholders of the Company (expressed in RMB per share)			
– Basic	6	(0.050)	(0.071)
– Diluted	6	<u>(0.050)</u>	<u>(0.071)</u>

The above condensed consolidated interim statement of profit or loss should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 30 June	
	2025	2024
	Unaudited	Unaudited
	RMB'000	RMB'000
Loss for the period	(31,000)	(43,495)
Other comprehensive (loss)/income		
<i>Items that will not be reclassified to profit or loss</i>		
Changes in the fair value of equity investments at fair value through other comprehensive income	(676)	(3,487)
Income tax relating to these items	(1,047)	713
Other comprehensive loss for the period, net of tax	(1,723)	(2,774)
Total comprehensive loss for the period	(32,723)	(46,269)
Total comprehensive loss for the period attributable to:		
– Shareholders of the Company	(32,620)	(46,100)
– Non-controlling interests	(103)	(169)
	(32,723)	(46,269)

The above condensed consolidated interim statement of comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

		As at	
		30 June	31 December
		2025	2024
		Unaudited	Audited
Note		RMB'000	RMB'000
ASSETS			
Non-current assets			
		48,190	58,441
Property, plant and equipment			
		6,499	8,115
Right-of-use assets			
		976	1,181
Investment properties			
		85	954
Intangible assets			
Investments accounted for using the equity method		1,105	1,119
Financial assets at fair value through other comprehensive income		8,645	9,321
Deferred income tax assets		–	124
Club membership		521	613
		<u>66,021</u>	<u>79,868</u>
Current assets			
		51,633	60,626
Inventories			
Trade and other receivables	8	29,288	40,930
Restricted cash		291	280
Cash and cash equivalents		11,837	24,434
		<u>93,049</u>	<u>126,270</u>
Total assets		<u>159,070</u>	<u>206,138</u>

		As at	
		30 June 2025	31 December 2024
		Unaudited	Audited
	Note	RMB'000	RMB'000
EQUITY			
Capital and reserves attributable to shareholders of the Company			
Share capital and premium		9,155	9,155
Other reserves		258,616	260,301
Accumulated losses		(289,187)	(258,252)
		(21,416)	11,204
Non-controlling interests		(1,976)	(1,873)
Total equity		(23,392)	9,331
LIABILITIES			
Non-current liabilities			
Borrowings		27,450	24,000
Lease liabilities		–	105
Provisions for other liabilities and charges		223	343
Deferred income tax liabilities		960	–
		28,633	24,448
Current liabilities			
Trade and other payables	9	54,185	45,272
Contract liabilities		10,162	7,201
Current tax liabilities		155	106
Lease liabilities		474	2,148
Borrowings		88,168	116,797
Provisions for other liabilities and charges		685	835
		153,829	172,359
Total liabilities		182,462	196,807
Total equity and liabilities		159,070	206,138

The above condensed consolidated interim statement of financial position should be read in conjunction with the accompanying notes.

1. GENERAL INFORMATION

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 Act (2003 Revision) of the Cayman Islands. The address of its registered offices is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the “Group”) are manufacture and sale of printers, other electronic products and other non-electronic products mainly in the mainland of People’s Republic of China (the “Chinese Mainland”).

The Company has been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 29 June 2005.

This condensed consolidated interim financial statements has not been audited.

2. BASIS OF PREPARATION

This condensed consolidated interim financial statements for the six months ended 30 June 2025 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”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the “Listing Rules”) of the Stock Exchange.

The condensed consolidated interim financial statements does not include all the notes of the type normally included in an annual financial statements. Accordingly, this announcement is to be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards, and the disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”).

Going concern basis

For the six months ended 30 June 2025, the Group recorded a loss of approximately RMB31,000,000 and a net operating cash outflow of approximately RMB2,315,000. As at 30 June 2025, the Group’s current liabilities exceeded its current assets by approximately RMB60,780,000. The Group had total bank borrowings of approximately RMB107,712,000, of which approximately RMB80,262,000 were current bank borrowings repayable within the next twelve months from 30 June 2025, while it had cash and cash equivalents of approximately RMB11,837,000 as at 30 June 2025.

Given the countrywide application of the fully digitalized electronic invoice, domestic market demand of the dot-matrix printers decreased continuously, the sales of dot-matrix printers, which was the Group’s main products, decreased during the six months ended 30 June 2025, which led to a continuous decrease in revenue of Printers Segment as defined in Note 4 and resulted in net operating cash outflows for the six months ended 30 June 2025.

The above conditions indicated the existence of a material uncertainty which may cast a significant doubt on the Group’s ability to continue as a going concern.

In view of such circumstances, the directors of the Company (the “Directors”) have given careful consideration to the future liquidity and operating performance of the Group and its available sources of financing to assess whether the Group will have sufficient financial resources to meet its financial obligations to continue as a going concern. Plans and measures have been taken to mitigate the liquidity pressure and to improve its financial position, including but not limited to the following:

- (i) The Group will closely monitor its compliance of covenants related to bank borrowings and will seek for extension and renewal of its existing bank borrowings upon maturity. The Group successfully renewed bank borrowings of RMB20,000,000 during August 2025 from its major banking facilities, with a total facility limit of RMB88,000,000. Based on past experience, the directors of the Company believes the Group’s existing bank facilities will be able to be extended or renewed upon maturity as most of these borrowings are secured by the Group’s property, plant and equipment and right-of-use assets;
- (ii) The Group anticipated that the domestic market demand for dot-matrix printers will stabilize. The Group will continue to develop and enhance the functionalities of its dot-matrix printers and expand its sales channels. Additionally, the Group also continues to expand its product offerings in the emerging consumer printing equipment and medical equipment market. The directors of the Company are optimistic to the potential and growth of the sales which will provide steady and additional cash inflows to the Group;
- (iii) The Group has taken certain strict cost and expenditures control measures during the year, and continue to implement such measures to reduce its operating cash outflow; and
- (iv) The Group obtained a standby facility of RMB35,000,000, including an unutilised amount of RMB31,500,000 to act as a safeguard for obtaining financial resources from the controlling shareholder when required.

The directors of the Company have reviewed the Group’s cash flow projections prepared by management, which cover a period not less than twelve months from 30 June 2025. In light of the above and taking into account the anticipated net operating cash inflows as well as the above plans and measures, the directors of the Company believe that the Group will have sufficient financial resources to satisfy its future working capital requirements as and when they fall due in the coming twelve months from 30 June 2025. Accordingly, the directors of the Company consider that it is appropriate to prepare the condensed consolidated interim financial statements on a going concern basis.

Notwithstanding the above, a material uncertainty exists as to whether the Group will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group’s ability to generate adequate cash flows through:

- (i) Continued availability of the existing bank facilities of the Group and the timely renewal of its bank borrowing upon maturity;
- (ii) Successful implementation of the plans and measures to improve the operation performance of business of printers and medical equipment products to generate operating cash inflow; and
- (iii) Successful implementation of the measures to strictly control cost and expenditures payments to reduce operating cash outflow.

Should the Group be unable to achieve the above plans and measures such that it would not be able to operate as a going concern, adjustments would have to be made to write down the carrying values of the Group’s assets to their recoverable amounts, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effect of these adjustments has not been reflected in the condensed consolidated interim financial statements.

3. ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of amended standards as set out below.

3.1 Amended standards adopted by the Group

The following amended standards are mandatory for adoption for the financial year beginning 1 January 2025 for the Group:

Amendments to HKAS 21

Lack of Exchangeability

The Group has assessed the impact of the adoption of these amended standards that are effective for the first time for this financial year and has concluded that they do not have significant impact on the Group's accounting policies and do not require retrospective amendments and interpretation adjustments.

3.2 New and amended standards issued but are not effective for financial year beginning 1 January 2025 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standard – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Hong Kong Interpretation 5 (Revised)	Hong Kong Interpretation 5 Presentation of Financial Statements Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the impact of these new standards and amendments and interpretations, certain of which are relevant to the Group's operations, and not expected to have a material impact on the Group in the current or future reporting period.

4. SEGMENT INFORMATION

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

The CODM manages the Group’s business from the perspective of different product lines of the Group, i.e. printers and others. The CODM assesses the performances of the operating segments based on a measure of segment revenue and segment results.

The segment revenue and results and the reconciliation with loss for the six months ended 30 June 2025 are as follows:

	Printers RMB’000	Other products RMB’000	Total RMB’000
Revenue from external customers (note (a))	62,581	7,614	70,195
Timing of revenue recognition			
At a point in time	62,581	7,614	70,195
Over time	–	–	–
Segment results	(12,872)	(1,825)	(14,697)
Other income			1,571
Administrative expenses			(15,127)
Net impairment losses reversed on financial assets			208
Other losses – net			(660)
Finance expenses – net			(2,194)
Share of losses of investments accounted for using the equity method			(14)
Income tax expenses			(87)
Loss for the period			(31,000)
Segment results include:			
Selling and marketing expenses	(8,247)	(2,358)	(10,605)
Research and development expenses	(6,954)	(114)	(7,068)

The segment revenue and results and the reconciliation with loss for the six months ended 30 June 2024 are as follows:

	Printers RMB'000	Other products RMB'000	Total RMB'000
Revenue from external customers (note (a))	<u>71,741</u>	<u>12,496</u>	<u>84,237</u>
Timing of revenue recognition			
At a point in time	71,741	12,496	84,237
Over time	–	–	–
Segment results	<u>(24,390)</u>	<u>373</u>	<u>(24,017)</u>
Other income			691
Administrative expenses			(17,695)
Net impairment losses reversed on financial assets			763
Other gains – net			1,728
Finance expenses – net			(2,465)
Share of losses of investments accounted for using the equity method			(1)
Impairment loss on investment in associates			<u>(2,499)</u>
Loss for the period			<u>(43,495)</u>
Segment results include:			
Selling and marketing expenses	(12,499)	(777)	(13,276)
Research and development expenses	<u>(5,452)</u>	<u>(1,316)</u>	<u>(6,768)</u>

- (a) Revenues from external customers are for sales of goods. There is no inter-segment sales for the six months ended 30 June 2025 and 2024.
- (b) The Group is domiciled in the Chinese Mainland. The revenue from external customers are as follows:

	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
In the Chinese Mainland	67,216	82,009
In overseas	<u>2,979</u>	<u>2,228</u>
	<u>70,195</u>	<u>84,237</u>

- (c) For the six months ended 30 June 2025, approximately 24% of total revenue (six months ended 30 June 2024: 44%) are derived from a single external customer, which is attributable to the segment of printers.
- (d) For the six months ended 30 June 2025 and 2024, the Group's non-current assets were mainly located in the Chinese Mainland.

5. INCOME TAX EXPENSES

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Current income tax expenses		
– Hong Kong profits tax	25	–
– Dividend withholding tax	25	–
Deferred income tax	37	–
	<u>87</u>	<u>–</u>

Hong Kong profits tax

The applicable Hong Kong profits tax rate is 16.5% for the six months ended 30 June 2025 (six months ended 30 June 2024: 16.5%).

Corporate income tax

The main business of the Group is conducted by Kong Yue Electronics & Information Industry (Xinhui) Limited (“Kongyue Information”), which is a foreign investment company based in Jiangmen City, the Chinese Mainland. The corporate income tax (the “CIT”) of Kongyue Information is provided for on the basis of its profit reported in the Chinese Mainland statutory financial statements, adjusted for income and expenses items, which are not assessable or deductible for income tax purpose.

Pursuant to the Chinese Mainland Corporate Income Tax Law (the “CIT Law”), the CIT rate is 25%. As Kongyue Information has been qualified as High and New Technology Enterprises (“HNTE”) for three years from 2023 to 2026, it enjoys a preferential CIT rate at 15% (2024: 15%) for the six months ended 30 June 2025. The effective CIT rate of other group entities in the Chinese Mainland is 25% (2024: 25%).

Dividend withholding tax

Pursuant to the Detailed Implementation Regulations for implementation of the CIT Law issued on 6 December 2007, dividends distributed out from the profits generated by the Chinese Mainland companies after 1 January 2008 to their foreign investors shall be subject to this withholding income tax of 10%, a lower 5% withholding tax rate may be applied when the immediate holding companies of the Chinese Mainland subsidiaries are established in Hong Kong and fulfil the requirements to the tax treaty arrangements between the Chinese Mainland and Hong Kong.

Withholding tax of 21% is imposed on dividends distributed in respect of profits earned by investee company located in Taiwan that are received by non-Taiwan resident entity.

Overseas income tax

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

6. LOSS PER SHARE

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

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding on an assumption of conversion of all dilutive potential ordinary shares. The dilutive potential ordinary shares of the Company are share options. The 700,000 (31 December 2024: 700,000) options granted and remained unexercised are not included in the calculation of diluted loss per share because they are antidilutive for the six months ended 30 June 2025.

	Six months ended 30 June	
	2025	2024
Loss attributable to the shareholders of the Company (<i>RMB'000</i>)	(30,935)	(43,406)
Weighted average number of ordinary shares in issue (<i>shares in thousands</i>)	612,882	612,882
Basic and diluted loss per share (<i>RMB per share</i>)	<u>(0.050)</u>	<u>(0.071)</u>

7. DIVIDENDS

The directors of the Company did not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

8. TRADE AND OTHER RECEIVABLES

	As at	
	30 June	31 December
	2025	2024
Note	RMB'000	RMB'000
Current		
Trade receivables – third parties	15,014	14,396
Less: loss allowance of trade receivables	(667)	(856)
	<u>14,347</u>	<u>13,540</u>
a		
Bills receivables	1,886	15,617
Less: loss allowance of bills receivables	(8)	(70)
	<u>1,878</u>	<u>15,547</u>
b		
Deposits paid to acquisition of intangible assets		
– Related parties	100	100
	<u>100</u>	<u>100</u>
Prepayments		
– Third parties	2,995	1,557
	<u>2,995</u>	<u>1,557</u>
Other receivables		
– Third parties	9,955	9,944
– Related parties	173	359
Less: loss allowance of other receivables		
– Third parties	(157)	(112)
– Related parties	(3)	(5)
	<u>9,968</u>	<u>10,186</u>
	<u>29,288</u>	<u>40,930</u>

- (a) The Group's sales to customers are generally granted with credit terms that range from 30 days to 90 days or extended as considered appropriate by the directors of the Company. As at 30 June 2025 and 31 December 2024, the ageing analysis of the trade receivables based on invoice date is as follows:

	As at	
	30 June	31 December
	2025	2024
	RMB'000	RMB'000
Less than 30 days	5,704	7,681
31–90 days	4,950	3,335
91–180 days	2,647	2,109
181–365 days	1,043	415
Over 365 days	3	–
	<u>14,347</u>	<u>13,540</u>

The Group applies the simplified approach prescribed by HKFRS 9 to provide for expected credit losses. As at 30 June 2025, trade receivables of approximately RMB5,101,000 (31 December 2024: RMB3,715,000) were past due.

- (b) As at 30 June 2025 and 31 December 2024, bills receivables represent bank acceptance bills.

As at 30 June 2025, the transferred or discounted receivables recognised in bills receivable amounted to RMB nil (31 December 2024: RMB15,436,000). The cash received by transferring or discounting such bills receivables are presented as secured borrowing.

9. TRADE AND OTHER PAYABLES

		As at	
		30 June	31 December
		2025	2024
	Note	RMB'000	RMB'000
Current			
Trade payables			
– Third parties	a	38,742	26,874
Other payables and accrued expenses	b		
– Third parties		13,820	12,362
– Related parties		585	4,779
Refund liabilities			
– Third parties	c	642	861
Dividends payable		396	396
		<u>54,185</u>	<u>45,272</u>

- (a) At 30 June 2025 and 31 December 2024, the aging analysis of the trade payables based on invoice date is as follows:

	As at	
	30 June	31 December
	2025	2024
	RMB'000	RMB'000
Less than 30 days	2,314	4,755
31–90 days	22,757	14,051
91–180 days	11,719	6,606
181–365 days	578	385
Over 365 days	1,374	1,077
	<u>38,742</u>	<u>26,874</u>

- (b) Other payables and accrued expenses mainly consist of accrued employee costs, deposits received and payables for other operating expenses.
- (c) Refund liabilities are recognized for volume discounts payable to customers.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business Review

Printer Business

For the six months ended 30 June 2025, the revenue of the Group derived from the printer business was approximately RMB62,581,000, which accounted for approximately 89% of the total revenue of the Group and represented a decrease of approximately 13% as compared with that of the corresponding period in 2024. The decrease in revenue was mainly attributable to the ongoing promotion of digital e-invoice across the board in the Chinese Mainland and insufficient market demand.

Other Products

For the six months ended 30 June 2025, the revenue of the Group derived from the other products business amounted to approximately RMB7,614,000, which accounted for approximately 11% of the total revenue of the Group and represented a decrease of approximately 39% as compared with that of the corresponding period in 2024. The decrease in revenue was mainly attributable to the decrease in sales of consumables in 2025.

Future Business Outlook

In 2025, the Company has reported year-on-year decline in its traditional printer business as the demand for invoice printers continued to decrease given the general trend of the use of electronic invoices in China, coupled with diminished retail and commercial activities in the market with domestic lacklustre consumer spending. Meanwhile, our medical products business has registered a steady growth. In 2025, the Chinese Government is expected to launch a series of policies aimed at stimulating consumer spending and in assisting the manufacturing sector. It is hoped that resumption of market demand will materialize. Coupled with the planned launch of our medical products, we continue to be confident in our future business development.

Printing Equipment and Solutions

The dot-matrix type printer of Jolimark continued to focus on the enterprise and industry document printing market, deepened its leading position in segments such as power, weighing instruments, public security, and shipping, constantly enhanced core products competitiveness, and strengthened the positioning of “Choose Jolimark for Document Printing”. It improved the cost-effectiveness and quality stability of traditional dot-matrix type printers and cloud printers by optimising product models and reducing supply chain costs, thereby consolidating the existing market share and profitability. The Company launched the web version of the E Invoicing software in the first half of 2025 for issuing, writing-off and storing invoices, whose purpose is to enhance users loyalty. Simultaneously, the Company continued to explore emerging printing scenarios, planned to launch a new version of the archive box printer and the thermal printer for grand theater tickets, striving to seek new business growth points by expanding into niche markets in industries such as archive management and cultural ticketing.

In terms of the inkjet printer business, on the basis of continuous paper feed inkjet printers and “red letter-headed” feed inkjet printers, the “Smart Finance e-Office” series of professional printers was launched at 2024 year end to meet the financial and office needs of small and medium-sized enterprises. Equipped with a dualpaper feeder design, these printers are capable of identifying the contents of printing through AI and intelligently switching between invoice and office document printing to provide functions such as professional binding modes, enterprise reimbursement, and print management, thereby significantly enhancing the efficiency of corporate financial management. The Company is expected to launch the upgraded continuous paper feeding inkjet printers and card feed inkjet printers in 2025 to better serve a wide range of hospitals and government agencies.

In terms of the self-serviced terminals, the core technologies of the Company, such as red and black dual-colour inkjet printing, cloud printing and remote error alert, have already achieved diverse applications in various scenarios, including smart government services, medical care, and the lottery industry, and the intelligent cloud-based self-service delivery cabinets for logistics application scenarios are currently in use in many regions. In the first half of 2025, with the development of AI-powered robotic arm coffee vending machines and the increasing popularity of wearable armor, the sales of latte art machines and manicure machines in the PRC have shown an upward trend. The number of customers approaching the Company for consultation and negotiation of cooperation has increased and it is expected that the sales of latte art machines and manicure machines will record a stable growth in the future.

Medical Equipment Products

Following the obtaining of the medical product registration permit of China for the 3L, 5L and 7L-equivalent medical portable oxygen concentrators, the Company obtained the medical product registration permit of China for its 5L desktop oxygen concentrators in June 2025 and the medical quality management system certificate in April 2025. For portable oxygen concentrators, the Company will continue to develop the 4L, 6L, and 8L-equivalent models, with plans to obtain medical registration permit for new products by October 2025. By the end of 2025, the Company aims to establish a full product line of portable oxygen concentrators ranging from 3L to 8L-equivalent. For medical desktop oxygen concentrators, the Company will expand its offerings beyond the 5L desktop model to include the 7L and 10L desktop versions, ultimately forming a complete series of 5L, 7L and 10L desktop oxygen concentrators.

The Company is currently discussing with many automotive manufacturers for the production of vehicle-mounted oxygen concentrators. It has already provided oxygen concentrator solutions to several automakers and is expected to jointly launch vehicle-mounted oxygen concentrators with automotive production partners in the second half of the year. In the second half of 2025, the Company also plans to introduce a cloud-based version of its desktop oxygen concentrator. This version will enable real-time machine monitoring through a self-developed WeChat mini programme, while also integrating with oximeter rings to track user health data and provide instant alerts to users or their family members. On another front, the Company has signed a collaborative R&D agreement with Guangzhou Mingyi Technology (廣州明醫科技) for invasive ventilators. Leveraging Mingyi Technology's influence in respiratory hospital networks, the product is expected to replace imported ventilators upon its launch. Coupled with China's support for medical equipment localization, the ventilators will become another key medical product for the Company in the future.

Financial Review

Results Summary

For the six months ended 30 June 2025, the Group's turnover amounted to approximately RMB70,195,000, representing a decrease of approximately 17% as compared to that of the corresponding period of last year. The loss attributable to shareholders of the Company amounted to approximately RMB30,935,000, as compared with a loss of approximately RMB43,406,000 in the first half of 2024. The basic loss per share as at 30 June 2025 was approximately RMB0.050 (the basic loss per share as at 30 June 2024: RMB0.071). The loss attributable to shareholders for the first half of 2025 was mainly due to insufficient market demand as a result of ongoing promotion of digital e-invoice across the board in the Chinese Mainland, as well as the recognition of asset impairment.

Analysis of Sales and Gross Profit

Compared with the first half of 2024, due to the insufficient market demand as a result of ongoing promotion of digital e-invoice across the board in the Chinese Mainland, the Group's total sales revenue in the first half of 2025 was RMB70,195,000, represented a decrease of approximately 17% as compared with that of the corresponding period in 2024.

The Group's consolidated gross profit was RMB2,976,000, and consolidated gross profit margin increased to 4%, which was due to the substantial year-on-year decrease in asset impairment as compared to that of the corresponding period in 2024.

Capital Expenditure

For the six months ended 30 June 2025, capital expenditure of the Group amounted to approximately RMB1,629,000, which was mainly used for the acquisitions of production equipment and customization of product molds.

Financial and Liquidity Position

As at 30 June 2025, the total assets of the Group amounted to approximately RMB159,070,000 (31 December 2024: RMB206,138,000), controlling shareholder's interests amounted to approximately RMB(21,416,000) (31 December 2024: RMB11,204,000); non-controlling interests amounted to approximately RMB(1,976,000) (31 December 2024: RMB(1,873,000)); current liabilities amounted to approximately RMB153,829,000 (31 December 2024: RMB172,359,000), and the current ratio (the ratio of current assets to current liabilities) of the Group was approximately 0.60 (31 December 2024: 0.73). The decrease in current ratio was mainly attributable to a decrease in current assets of approximately RMB33,221,000 during the year.

As at 30 June 2025, the cash and cash equivalents and restricted cash of the Group amounted to approximately RMB12,128,000 (31 December 2024: RMB24,714,000) in aggregate. The outstanding bills receivables from customers amounted to approximately RMB1,886,000 (31 December 2024: approximately RMB15,617,000). The total borrowings amounted to approximately RMB115,618,000 (31 December 2024: approximately RMB140,797,000). The gearing ratio of the Group was 72.7% as at 30 June 2025 (31 December 2024: 68.3%), being a ratio of sum of borrowings of RMB115,618,000 (31 December 2024: RMB140,797,000) to total assets.

Financial Assets at Fair Value through Other Comprehensive Income

The amount represents the Group's medium to long term equity investments in private enterprises.

As at 30 June 2025, the fair value of the Company's investment was RMB8,645,000 (31 December 2024: RMB9,321,000). Of which, the Group's holding of 0.33% interest in 大象慧雲信息技術有限公司 (Ele-Cloud Information Technology Co., Ltd.) ("Ele-Cloud"), a company that is engaged in invoices and tax information management services solutions in the PRC, accounted for RMB6,312,000 (31 December 2024: RMB6,312,000) representing approximately 73.01% (31 December 2024: 67.72%) of the Group's financial assets at fair value through other comprehensive income. The original investment cost of the Company in Ele-Cloud in December 2020 was RMB5,009,000. Save for the investments in Ele-Cloud, the Company also hold minority interests in four other companies, ranging from 1.76% to 10%.

The investment strategy of the Company is to invest in companies that are engaged in upstream or downstream industries and have synergy effects to the business of the Group.

Pledge of Assets

As at 30 June 2025, property, plant and equipment and right-of-use assets of RMB37,858,000 (31 December 2024: RMB38,579,000) were pledged as collateral for the Group's bank borrowings of RMB88,000,000 (31 December 2024: RMB106,000,000). As at 30 June 2025, the transferred or discounted receivables recognised in bills receivable amounted to RMB nil (31 December 2024: RMB15,436,000). The amounts repayable under these agreements are presented as secured borrowing of RMB15,397,000 as at 31 December 2024.

Foreign Currency Risks

The Group mainly operates in the Chinese Mainland with most of the transactions denominated and settled in RMB. However, the Group is exposed to foreign exchange risks for assets and liabilities denominated in Hong Kong dollars, United States dollars, Taiwanese dollars and Euro arising from the import of certain raw materials and machinery, sales of goods to overseas customers and borrowings that are denominated in foreign currencies. As at 30 June 2025, the Group had more monetary financial liabilities than financial assets outside Chinese Mainland.

The Group manages and monitors its foreign exchange risks by performing regular review of the Group's net foreign exchange exposures and mitigates the impact of exchange rate fluctuations by reducing the financial liabilities if needed.

Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

The Group did not have any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Period.

Contingent Liabilities

The Group had no material contingent liabilities as at 30 June 2025 (31 December 2024: nil).

Staff

As at 30 June 2025, the Group employed a total of 541 staff members (31 December 2024: 572 staff members). Apart from 6 employees employed in Hong Kong and overseas, all employees of the Group were based in Chinese Mainland. The Group applies its remuneration and bonus policies for employees with reference to business results and individual staff performance. In addition, fringe benefits, such as social security insurance, medical allowance and housing provident fund, were provided to ensure the Group remains as a competitive employer. In addition, the Group has maintained a share option scheme to reward and incentivize its employees.

Events after the Period

There were no other significant events after the Period and up to the date of this announcement.

Interim Dividend

The Board of directors of the Company did not recommend the payment of an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

Compliance with the Corporate Governance Code

The Company is committed to the establishment of stringent corporate governance practices and procedures with a view to enhancing investor confidence and the Company's accountability and transparency. The Company strives to maintain a high corporate governance standard and has complied with all code provisions of the Corporate Governance Code as set out in Appendix C1 of Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") as in effect from time to time (the "CG Code") during the six months ended 30 June 2025, save for the deviation from code provision F.2.2 of the CG Code:

In accordance with the requirements of code provision F.2.2 of the CG Code, the chairman of the Board should attend the annual general meeting of the Company. However, due to the other business commitments, the chairman of the Board, Mr. Au Pak Yin, was unable to attend the annual general meeting of the Company held on 28 May 2025. Mr. Au Kwok Lun, an executive Director, acted as chairman at the annual general meeting.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Model Code for Securities Transactions

The Company has adopted the Model Code contained in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. The Company has made specific enquiries with all Directors regarding any non-compliance with the Model Code during the six months ended 30 June 2025 and all Directors confirmed that they have fully complied with the requirements set out in the Model Code during the six months ended 30 June 2025.

Review of Condensed Consolidated Interim Financial Information

The audit committee of the Company (the "Audit Committee") comprises three independent non-executive directors namely, Ms. Kan Lai Kuen, Alice, Mr. Sun Po Yuen and Mr. Yeung Kwok Keung. The unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2025 had been reviewed by the Audit Committee.

The unaudited condensed consolidated interim financial information of the Group for the six months ended 30 June 2025 had also been reviewed by the Company's independent auditor, Gary Cheng CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

Publication of Interim Results Announcement and Interim Report

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.jolimark.com). The interim report of the Company for the six months ended 30 June 2025 containing all the information required by the Listing Rules will be despatched to shareholders of the Company and made available on the above websites in due course.

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

Hong Kong, 27 August 2025

As at the date of this announcement, the executive directors of the Company are Mr. Au Pak Yin and Mr. Au Kwok Lun; the non-executive director of the Company is Mr. Ou Guo Liang; and the independent non-executive directors of the Company are Ms. Kan Lai Kuen, Alice, Mr. Sun Po Yuen and Mr. Yeung Kwok Keung.