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LINMARK GROUP LIMITED

林麥集團有限公司*

(Incorporated in Bermuda with limited liability)

Stock Code: 915

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 OCTOBER 2014

INTERIM RESULTS HIGHLIGHTS:

- Shipment value amounted to approximately US\$138.3 million (equivalent to HK\$1,078.7 million), a decrease of approximately 5.5% as compared to approximately US\$146.3 million (equivalent to HK\$1,141.1 million) for the corresponding period last year.
- Revenue dropped by approximately 7.9% to approximately US\$53.8 million (equivalent to HK\$419.6 million) as compared to approximately US\$58.4 million (equivalent to HK\$455.5 million) for the corresponding period last year.
- Profit for the period under review amounted to approximately US\$3.0 million (equivalent to HK\$23.4 million), a decrease of approximately 3.4% as compared to approximately US\$3.2 million (equivalent to HK\$25.0 million) for the corresponding period last year.
- The Directors have declared the payment of an interim dividend of 0.96 HK cent per ordinary share in respect of the six months ended 31 October 2014.

UNAUDITED INTERIM RESULTS

The board (“**Board**”) of directors (“**Directors**”) of Linmark Group Limited (“**Company**”) announces the unaudited condensed consolidated interim financial information of the Company and its subsidiaries (together, the “**Group**” or “**Linmark**”) for the six months ended 31 October 2014, together with comparative figures for the previous corresponding period, as follows:

CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

Condensed Consolidated Interim Statement of Profit or Loss

		For the six months ended 31 October	
		2014	2013
		(Unaudited)	(Unaudited)
	Note	US\$'000	US\$'000
REVENUE	3	53,824	58,423
Cost of sales		<u>(39,424)</u>	<u>(43,259)</u>
Gross profit		14,400	15,164
Other income		223	511
General and administrative expenses		(11,246)	(12,029)
Loss on dissolution of a subsidiary		–	(138)
Share of loss of a joint venture		<u>–</u>	<u>(1)</u>
PROFIT BEFORE TAX	4	3,377	3,507
Income tax expense	5	<u>(331)</u>	<u>(355)</u>
PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY		<u>3,046</u>	<u>3,152</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (expressed in US cent)	7		
– Basic		<u>0.4</u>	<u>0.5</u>
– Diluted		<u>0.4</u>	<u>0.5</u>

Details of the dividends and distribution to shareholders of the Company are set out in Note 6.

Condensed Consolidated Interim Statement of Comprehensive Income

	For the six months ended	
	31 October	
	2014	2013
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
PROFIT FOR THE PERIOD	3,046	3,152
OTHER COMPREHENSIVE INCOME		
Other comprehensive income to be reclassified to profit or loss in subsequent period:		
Exchange differences:		
Translation of foreign operations	13	107
Reclassification adjustment		
– loss on dissolution of a subsidiary	–	138
OTHER COMPREHENSIVE INCOME FOR THE PERIOD	13	245
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	3,059	3,397

Condensed Consolidated Interim Statement of Financial Position

		31 October 2014 (Unaudited) US\$'000	30 April 2014 (Audited) US\$'000
	<i>Note</i>		
NON-CURRENT ASSETS			
Property, plant and equipment	8	377	459
Goodwill		26,333	26,333
Available-for-sale financial asset		84	84
Investment in a joint venture		10	10
Deferred tax assets		9	9
		<hr/>	<hr/>
Total non-current assets		26,813	26,895
		<hr/>	<hr/>
CURRENT ASSETS			
Trade receivables	9	6,819	6,221
Prepayments, deposits and other receivables		2,381	2,422
Tax recoverable		675	566
Cash and cash equivalents		16,203	14,611
		<hr/>	<hr/>
Total current assets		26,078	23,820
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade payables	10	5,306	5,682
Accruals and other payables		10,156	9,675
Tax payable		1,911	1,636
		<hr/>	<hr/>
Total current liabilities		17,373	16,993
		<hr/>	<hr/>
NET CURRENT ASSETS		8,705	6,827
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		35,518	33,722
		<hr/>	<hr/>
NON-CURRENT LIABILITY			
Post-employment benefits		805	1,005
		<hr/>	<hr/>
Total non-current liability		805	1,005
		<hr/>	<hr/>
NET ASSETS		34,713	32,717
		<hr/>	<hr/>
EQUITY			
Issued capital		13,671	13,671
Reserves		21,042	19,046
		<hr/>	<hr/>
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		34,713	32,717
		<hr/>	<hr/>

Notes:

1. Basis of preparation

The condensed consolidated interim financial statements of the Group for the six months ended 31 October 2014 have been prepared in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting* and the disclosure requirements of the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

This condensed consolidated interim financial information is presented in United States dollars (“US\$”), unless otherwise stated.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended 30 April 2014.

2. Changes in accounting policies and disclosures

The principal accounting policies adopted in the preparation of the condensed consolidated interim financial statements of the Group are consistent with those followed in the preparation of the audited annual financial statements of the Group for the year ended 30 April 2014, except for the adoption of the new and revised International Financial Reporting Standards (“IFRSs”), IAS and interpretations approved by the International Accounting Standards Board Interpretations Committee as noted below.

IFRS 10, IFRS 12 and IAS 27 (Revised) Amendments	Amendments to IFRS 10, IFRS 12 and IAS 27 (Revised) <i>Investment Entities</i> ¹
IAS 32 Amendments	Amendments to IAS 32 <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i> ¹
IAS 39 Amendments	Amendments to IAS 39 <i>Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting</i> ¹
IFRIC 21	<i>Levies</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2014

The adoption of these new and revised standards, interpretations and amendments has had no material financial effect on the interim financial information.

3. Operating segment information

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

- (a) sales of merchandise including garments, fashion accessories, hardgoods, consumer electronic products and labels; and
- (b) provision of services including procurement and value-added services relating to the procurement agency business.

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group’s profit before tax except that interest income, loss on dissolution of a subsidiary, share of loss of a joint venture as well as corporate and other unallocated expenses are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4. Profit before tax

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 31 October	
	2014	2013
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
Depreciation	146	377
Loss on dissolution of a subsidiary	–	138
Gain on disposal of property, plant and equipment	(3)	–
Impairment of trade receivables	68	44
	<u>146</u>	<u>44</u>

5. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2013: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable outside Hong Kong have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	For the six months ended 31 October	
	2014	2013
	(Unaudited)	(Unaudited)
	US\$'000	US\$'000
Current		
– Hong Kong	283	338
– Outside Hong Kong	68	15
(Overprovision)/Underprovision in prior years	(20)	2
	<u>331</u>	<u>355</u>
Total tax expense for the period	<u>331</u>	<u>355</u>

As of the date of this announcement, the Group received protective assessments amounting to approximately HK\$135,000,000 (equivalent to US\$17,308,000) from the Inland Revenue Department of Hong Kong (“IRD”) in respect of queries on the modus operandi of the Group and the chargeability of the profits for the years of assessment from 2003/2004 to 2007/2008.

In response to enquiries from the IRD with the assistance of an independent tax advisor, certain relevant information has been furnished to the IRD for review and objections have been lodged by the Group against the protective assessments. In addition, Tax Reserve Certificates amounting to HK\$5,250,000 (equivalent to US\$673,000) (2013: HK\$4,400,000 (equivalent to US\$564,000)) have been purchased by two subsidiaries of the Company in pursuit of the holdover of tax demanded under the protective assessments for these years.

The tax case is still at an information exchange stage. Despite the uncertainty about its outcome, the Group maintains the view that sufficient tax provision has been made in the financial statements.

6. Dividends and distribution

A distribution of 14.64 HK cents per ordinary share was paid to shareholders of the Company on 28 June 2013 pursuant to an ordinary resolution passed at a special general meeting on 13 June 2013.

On 14 January 2014, a dividend of 1 HK cent per ordinary share was paid to shareholders of the Company as interim dividend in respect of the six months ended 31 October 2013.

On 12 September 2014, a final dividend of 1.21 HK cents per ordinary share in respect of the year ended 30 April 2014 was paid to shareholders of the Company.

The Directors have declared the payment of an interim dividend of 0.96 HK cent per ordinary share in respect of the six months ended 31 October 2014 and such interim dividend will be paid in cash on or about 2 January 2015 to shareholders whose names appear on the register of members of the Company on 24 December 2014.

7. Earnings per share

The calculation of basic earnings per share is based on the profit for the period attributable to owners of the Company of approximately US\$3,046,000 (2013: US\$3,152,000), and the weighted average number of 683,569,279 (2013: 683,438,844) ordinary shares in issue during the period.

The Group had no dilutive potential ordinary shares in issue for the periods ended 31 October 2014 and 2013.

8. Additions in property, plant and equipment

During the six months ended 31 October 2014, the Group spent approximately US\$64,000 (2013: US\$123,000) on acquisition of property, plant and equipment.

9. Trade receivables

The general credit terms granted to customers range from 60 days to 90 days. An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	31 October 2014 (Unaudited) US\$'000	30 April 2014 (Audited) US\$'000
Within 30 days	3,013	3,871
31 to 60 days	1,387	1,188
61 to 90 days	1,609	737
91 to 365 days	911	469
Over 1 year	295	342
	<hr/>	<hr/>
	7,215	6,607
Impairment	(396)	(386)
	<hr/>	<hr/>
	6,819	6,221
	<hr/> <hr/>	<hr/> <hr/>

Note:

The trade receivables aged over 90 days are being carefully monitored by management. Approximately US\$0.4 million (30 April 2014: US\$0.4 million) of these balances were covered by the impairment.

10. Trade payables

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	31 October 2014 (Unaudited) US\$'000	30 April 2014 (Audited) US\$'000
Within 30 days	3,889	4,190
31 to 60 days	1,102	1,234
61 to 90 days	156	37
91 to 365 days	80	146
Over 1 year	79	75
	5,306	5,682

11. Related party transactions

- (a) During the six months ended 31 October 2014, the Group had the following significant transactions with related parties:

	For the six months ended 31 October	
	2014 (Unaudited) US\$'000	2013 (Unaudited) US\$'000
Rental expenses paid to related companies	254	409

Rental expenses were determined based on the market rate and floor area.

- (b) Balance with a related company:

At 31 October 2014, the Group had prepaid rent and rental deposit of US\$24,000 (30 April 2014: US\$24,000) to a related company.

- (c) Compensation of key management personnel of the Group:

	For the six months ended 31 October	
	2014 (Unaudited) US\$'000	2013 (Unaudited) US\$'000
Short term employee benefits	623	744
Post-employment benefits – defined contribution plans	37	36
Total compensation paid to key management personnel	660	780

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Overview

Against the backdrop of a sputtering global economy, where only modest growth has been realised in the US and certain parts of Europe, consumption sentiment has remained restrained. This has in turn resulted in a decline in orders placed by certain customers of the Group during the six months ended 31 October 2014.

During the period under review, both of the Group's business segments, specifically sales of merchandise and provision of services, experienced a decline in shipment value. The Group's overall shipment value dropped by approximately 5.5% from approximately US\$146.3 million (equivalent to HK\$1,141.1 million) recorded for the corresponding period last year to US\$138.3 million (equivalent to HK\$1,078.7 million) for this period.

Revenue dropped by approximately 7.9% to approximately US\$53.8 million (equivalent to HK\$419.6 million) from approximately US\$58.4 million (equivalent to HK\$455.5 million) for the same period last year.

Gross profit decreased by around 5.0% from approximately US\$15.2 million (equivalent to HK\$118.6 million) for the same period last year to approximately US\$14.4 million (equivalent to HK\$112.3 million) for the review period.

With the reduction in business volume and effective cost controls, the general and administrative expenses for the period decreased by around 6.5% to approximately US\$11.2 million (equivalent to HK\$87.4 million), as compared to approximately US\$12.0 million (equivalent to HK\$93.6 million) for the same period last year.

For the six months ended 31 October 2014, the Group reported a profit of approximately US\$3.0 million (equivalent to HK\$23.4 million), a decrease of approximately 3.4% as compared to approximately US\$3.2 million (equivalent to HK\$25.0 million) for the same period last year.

Segmental Analysis

Operating Segmentation

The Group's business comprises two operating segments: (i) sales of merchandise including garments, fashion accessories, hardgoods, consumer electronic products and labels; and (ii) provision of services including procurement and value-added services relating to the procurement agency business.

	Shipment value	
	For the six months ended	
	31 October	
	2014	2013
	(Unaudited)	(Unaudited)
	US\$' million	US\$' million
Provision of services	93.2	97.1
Sales of merchandise	45.1	49.2
	<hr/>	<hr/>
Total	138.3	146.3
	<hr/> <hr/>	<hr/> <hr/>

During the period under review, shipment value from the provision of services fell by approximately 4.0% to approximately US\$93.2 million (equivalent to HK\$727.0 million), accounting for roughly 67.4% of the Group's total shipment value.

Shipment value from sales of merchandise declined by approximately 8.3% to approximately US\$45.1 million (equivalent to HK\$351.8 million), contributing to around 32.6% of the Group's total shipment value. The drop was due to a decrease in orders from certain European customers.

Geographical Segmentation

	Shipment value	
	For the six months ended	
	31 October	
	2014	2013
	(Unaudited)	(Unaudited)
	US\$' million	US\$' million
North America	70.0	72.6
Europe	36.7	41.6
Others	31.6	32.1
	<hr/>	<hr/>
Total	138.3	146.3
	<hr/> <hr/>	<hr/> <hr/>

During the period under review, shipments to North America dropped by approximately 3.6% to approximately US\$70.0 million (equivalent to HK\$546.0 million). Nevertheless, North America remained the largest market of the Group, accounting for approximately 50.6% of the Group's total shipment value.

Shipments to Europe decreased by approximately 11.8% to approximately US\$36.7 million (equivalent to HK\$286.3 million) mainly due to the decline in business of certain customers whose businesses were affected by the vulnerable economy. Shipments to Europe presently account for approximately 26.5% of the Group's total shipment value.

Shipments grouped under "Others", comprising mainly shipments to the southern hemisphere, remained relatively stable. Shipments decreased by approximately 1.6% to approximately US\$31.6 million (equivalent to HK\$246.5 million). Others accounted for approximately 22.9% of the Group's total shipment value.

Hong Kong Tax Case

As of the date of this announcement, the Group received protective assessments amounting to approximately HK\$135,000,000 (equivalent to US\$17,308,000) from the IRD in respect of queries on the modus operandi of the Group and the chargeability of profits for the years of assessment from 2003/2004 to 2007/2008.

In response to enquiries from the IRD with the assistance of the independent tax advisor, certain relevant information has been furnished to the IRD for review and objections have been lodged by the Group against the protective assessments. In addition, Tax Reserve Certificates amounting to HK\$5,250,000 (equivalent to US\$673,000) have been purchased by two subsidiaries of the Company in pursuit of the holdover of tax demanded under protective assessments for these years.

The tax case is still at an information exchange stage. Despite the uncertainty about its outcome, the Group maintains the view that sufficient tax provision has been made in the financial statements.

Financial Review

The Group's financial position remains healthy with cash and cash equivalents of approximately US\$16.2 million (equivalent to HK\$126.4 million) as at 31 October 2014. In addition, the Group has total banking facilities of approximately US\$20.8 million (equivalent to HK\$162.2 million), including borrowing facilities of approximately US\$0.4 million (equivalent to HK\$3.1 million) as at 31 October 2014.

The Group has a current ratio of approximately 1.5 and a gearing ratio of zero, based on no interest-bearing borrowings and total equity of approximately US\$34.7 million (equivalent to HK\$270.7 million) as at 31 October 2014. There has not been any material change in the Group's borrowings since 31 October 2014.

Trade receivables increased from approximately US\$6.2 million (equivalent to HK\$48.4 million) as at 30 April 2014 to approximately US\$6.8 million (equivalent to HK\$53.0 million) as at 31 October 2014. Gross trade receivables aged over 90 days, which amounted to approximately US\$1.2 million (equivalent to HK\$9.4 million), are being carefully monitored by management. Approximately US\$0.4 million (equivalent to HK\$3.1 million) of these balances were covered by the impairment.

The Group's net asset value as at 31 October 2014 was approximately US\$34.7 million (equivalent to HK\$270.7 million).

The Group had no material contingent liability as at 31 October 2014 and there has been no material change since then.

The majority of the Group's transactions during the period under review were denominated in US dollars and Hong Kong dollars. To minimise exchange risks, sales and purchases are generally transacted in the same currency.

Remuneration Policy and Staff Development Scheme

As at 31 October 2014, the Group had 387 staff members (as at 31 October 2013: 420 staff members). Total staff costs for the period under review amounted to approximately US\$7.7 million (equivalent to HK\$60.1 million) (2013: US\$8.5 million (equivalent to HK\$66.3 million)). The Group offers competitive remuneration schemes to its employees based on industry practices, along with individual and the Group's performance. In addition, share options and discretionary bonuses are also granted to eligible staff based on his or her individual performance and that of the Group.

Update on the Creditors' Voluntary Liquidation of Linmark Electronics Limited ("LEL")

Reference is made to the disclosure on pages 10 to 11 of the Company's 2014 annual report for the year ended 30 April 2014 ("**2014 Annual Report**") in relation to the creditors' voluntary liquidation of LEL ("**Liquidation**").

Based on the company status shown on the website of the Companies House of the UK, LEL was dissolved on 21 October 2014.

Save as disclosed in the previous interim and annual reports of the Company, the Liquidation did not have further material impact on the Group.

Prospects

Even though modest recovery is evidenced in the US and parts of Europe, management anticipates the overall global business climate will remain highly challenging during the second half of the financial year.

Economic instability and geopolitical uncertainties abound have eroded consumers' confidence, leading to the adoption of a more conservative approach in order placing and price setting by certain customers of the Group. The weakening of certain foreign currencies against US dollar in markets where the Group has business interests such as Australia, Euro zone, Russia and South Africa will further increase price pressure on the imported goods and consequently affect the consumption power in these markets. These will inevitably affect the business volume and profitability of the Group in the second half of the financial year.

To help spur sales, management will continue to devote resources in promoting cross-selling activities, placing greater emphasis on customer services and offering more value-added services.

In addition, to combat price pressure placed by customers on the Group's imported goods as well as address the changing needs of different customers, the Group will continue to widen the scope of countries from which goods are sourced.

To bolster the Group in the face of looming challenges, management will keep vigilantly monitoring all facets of operation and timely implementing cost controls to raise efficiency. At the same time, it will examine business opportunities that lead to broadening of the Group's services and product offerings.

INTERIM DIVIDEND

The Directors have declared the payment of an interim dividend of 0.96 HK cent per ordinary share in respect of the six months ended 31 October 2014 and such interim dividend will be paid in cash on or about Friday, 2 January 2015 to shareholders whose names appear on the register of members of the Company on Wednesday, 24 December 2014.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement to the interim dividend for the period under review, the register of members of the Company will be closed from Monday, 22 December 2014 to Wednesday, 24 December 2014, both days inclusive. In order to qualify for the interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 19 December 2014.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the period under review.

REVIEW OF RESULTS

The unaudited condensed consolidated interim financial information of the Group for the six months ended 31 October 2014 have been reviewed by Ernst & Young, the external auditors of the Company, in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. The audit committee, comprising the three independent non-executive Directors referred to below, has reviewed with management and the Company's external auditors the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the report prepared by the external auditors to the audit committee in respect of the review of the Group's unaudited condensed consolidated interim financial information for the six months ended 31 October 2014. There was no disagreement by the external auditors or the audit committee with the accounting treatment adopted by the Company.

The audit committee has also reviewed the terms and conditions of the connected transactions of the Company that took place during the period under review.

CORPORATE GOVERNANCE

A corporate governance report has been published and included in the 2014 Annual Report, in which the Company reported the adoption of the Code Provisions ("**Code Provisions**") as stated in the Corporate Governance Code ("**CG Code**") contained in Appendix 14 to the Listing Rules as the Corporate Governance Code of the Company.

During the period under review, save for the deviation from Code Provision A.2.1, the Company fully complied with the Code Provisions in the CG Code.

Code Provision A.2.1

Mr. WANG Lu Yen, the chairman of the Company, is also the chief executive officer of the Company. Such practice deviates from Code Provision A.2.1 of the CG Code which stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

In view of Mr. WANG Lu Yen's extensive experience in the industry and in-depth knowledge of the Group's operation and business, the Board believes that Mr. Wang is instrumental in formulating and implementing the Group's strategies. The Board expects that the Group will benefit from a unified chairman and chief executive officer position that provides clarity of leadership and allows efficient decision-making in strategic matters as well as the Group's day-to-day business. However, as the corporate needs of the Group may change from time to time, the Board will review regularly the Board composition and division of responsibilities to ensure balance of power and corporate governance practices appropriate for the size and structure of the Group's business.

Save as disclosed above, the corporate governance practices adopted by the Company during the period under review are in line with those practices set out in the 2014 Annual Report.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix 10 to the Listing Rules as its model code for securities transactions by the Directors. Having made specific enquiries, all the Directors confirmed that they have complied with the Model Code during the period under review and up to the date of this announcement.

The Company has also established written guidelines on no less exacting terms than the Model Code ("**Employees Written Guidelines**") for securities transactions by relevant employees who are likely to be in possession of unpublished inside information in relation to the Company and its securities. No incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company during the period under review and up to the date of this announcement.

BOARD OF DIRECTORS

As at the date of this announcement, the Board comprises two executive Directors, being Mr. WANG Lu Yen (Chairman and Chief Executive Officer) and Mr. WONG Hing Lin, Dennis (Chief Financial Officer), one non-executive Director, being Mr. WONG Wai Ming and three independent non-executive Directors, being Mr. WANG Arthur Minshiang, Mr. TSE Hau Yin, Aloysius and Mr. Jakob Jacobus Koert TULLENERS.

PUBLICATION OF THE RESULTS AND INTERIM REPORT

The results announcement is published on the designated website of the Stock Exchange for news dissemination at www.hkexnews.hk and on the Company's website at www.linmark.com. The 2015 interim report will be despatched to the shareholders and available on the same websites on or about 15 December 2014.

By Order of the Board

WANG Lu Yen

Chairman & Chief Executive Officer

Hong Kong, 8 December 2014

Head Office and Principal Place of Business in Hong Kong:

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Kowloon Bay, Kowloon

Hong Kong

* *For identification purpose only*