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## **HM International Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8416)**

### **PROPOSED ISSUE OF NEW SHARES PURSUANT TO THE SHARE AWARD SCHEME UNDER THE GENERAL MANDATE AND CONNECTED TRANSACTION INVOLVING PROPOSED ISSUE OF NEW SHARES TO THE CONNECTED PERSON PURSUANT TO THE SHARE AWARD SCHEME UNDER THE GENERAL MANDATE**

The Board is pleased to announce that on 1 April 2023, the Board has resolved to award an aggregate of 21,415,000 Awarded Shares to 15 Awardees under the Share Award Scheme which shall be satisfied by the proposed issue and allotment of 21,415,000 new Shares to the Trustee to be held on trust for the Awardees pursuant to the 2022 General Mandate granted by the Shareholders at the annual general meeting of the Company held on 10 May 2022.

Pursuant to the Share Award Scheme, the new Shares to be issued will be held on trust for the Awardees until the end of each vesting period which may differ among the Awardees and be transferred to the Awardees upon satisfaction of the relevant vesting condition as determined by the Board. The new Shares shall rank *pari passu* among themselves and with the Shares in issue upon allotment of the new Shares.

Out of 21,415,000 Awarded Shares, 17,415,000 Awarded Shares are awarded to 14 Eligible Participants, who are employees of the Group (whom, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Group) and shall be satisfied by the issue and allotment of new Shares to the Trustee under the Share Award Scheme. Such proposed issue and allotment of the new Shares is conditional upon the approval of the Listing Committee of the Stock Exchange for the listing of and permission to deal in such new Shares on the Stock Exchange. An application in this respect will be made by the Company to the Stock Exchange. Such proposed issue and allotment of the new Shares is not subject to the approval of any Shareholders.

Out of 21,415,000 Awarded Shares, 4,000,000 Awarded Shares are awarded to the Connected Awardee, and shall be satisfied by the Proposed Connected Issue and Allotment to the Trustee under the Share Award Scheme. Pursuant to Rule 20.07 of the GEM Listing Rules, the Connected Awardee is an executive Director and a Shareholder of the Company and is therefore a connected person of the Company. The Award to the Connected Awardee shall constitute a connected transaction and shall be subject to the reporting, announcement, circular and the Independent Shareholders' approval under the GEM Listing Rules. Therefore, the Proposed Connected Issue and Allotment is conditional upon (i) the passing of an ordinary resolution by the Independent Shareholders at the EGM of the Company; and (ii) the approval of the Listing Committee of the Stock Exchange for the listing of and permission to deal in such new Shares on the Stock Exchange. An application in this respect will be made by the Company to the Stock Exchange.

The EGM will be convened and held to consider, and if thought fit, approve among other things, the Award to the Connected Awardee and the Proposed Connected Issue and Allotment, together with other transactions contemplated thereunder.

A circular containing, among other things, (i) further details of the Award and the Proposed Connected Issue and Allotment, together with other transactions contemplated thereunder; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Award to the Connected Awardee and other transactions contemplated thereunder; (iii) a letter of advice of the independent financial adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM will be despatched to the Shareholders in due course.

The Share Award Scheme constitutes a share scheme pursuant to the new Chapter 23 (effective on 1 January 2023) of the GEM Listing Rules. As such, the Award to the Connected Awardee and the Proposed Connected Issue and Allotment will be made pursuant to the 2022 General Mandate in consistent with the transitional arrangements of the new Chapter 23 of the GEM Listing Rules. The Company will comply with the transitional arrangements in accordance with the new Chapter 23 of the GEM Listing Rules.

## **AWARD OF AWARDED SHARES UNDER THE SHARE AWARD SCHEME**

The Board is pleased to announce that on 1 April 2023, the Board has resolved to grant an aggregate of 21,415,000 Awarded Shares to 15 Awardees under the Share Award Scheme which shall be satisfied by the proposed issue and allotment of 21,415,000 new Shares to the Trustee on trust for the Awardees pursuant to the 2022 General Mandate granted by the Shareholders at the annual general meeting of the Company held on 10 May 2022, under which the maximum number of new Shares that can be issued and allotted are 80,000,000 Shares (being 20% of the total number of the issued Shares of the Company as at the date of annual general meeting of the Company held on 10 May 2022.) As at the date of this announcement, no new Shares have been issued or allotted under the 2022 General Mandate.

Pursuant to the Share Award Scheme, the new Shares to be issued will be held on trust by the Trustee for the Awardees until the end of each vesting period which may differ among the Awardees and be transferred to the Awardees upon satisfaction of the relevant vesting condition as determined by the Board. The new Shares shall rank *pari passu* among themselves and with the Shares in issue upon allotment of the new Shares. After the award of the 21,415,000 Award Shares, the number of Awarded Shares available for future award under the Share Award Scheme is 18,585,000.

### **Proposed Issue of New Shares to the Non-Connected Awardees Pursuant to the Share Award Scheme**

Out of 21,415,000 Awarded Shares, 17,415,000 Awarded Shares are awarded to 14 Non-Connected Awardees. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Non-Connected Awardees are not connected persons of the Group.

The 17,415,000 Awarded Shares represent approximately 4.35% of the Company's issued Shares as at the date of this announcement and approximately 4.13% of the Company's issued Shares as enlarged by the issue and allotment of the new Shares pursuant to the proposed issue and allotment of the new Shares (assuming that there is no change in the share capital of the Company from the date of this announcement up to the date of the proposed issue and allotment of the new Shares).

Particulars of the Award to the Non-Connected Awardees are summarised as follows:

Date of the award:	1 April 2023
Relationship with the Company:	14 persons, all are employees of the Company
Number of Awarded Shares awarded:	17,415,000 in aggregate, none of the Non-Connected Awardees is awarded with the Awarded Shares which exceed 1% of the total number of issued Shares as at the date of this announcement
Subscription price:	Nil
Market price of the Awarded Shares on the date of the award:	Based on the closing price of HK\$0.129 per Shares as quoted on the Stock Exchange on 31 March 2023, being the trading day on the Stock Exchange immediately preceding the date of Award, and the market value of 17,415,000 Awarded Shares is HK2,246,535  The average closing price of the Shares for the five consecutive trading days immediately preceding the date of the Award as quoted on the Stock Exchange is HK\$0.1314, and the market value of 17,415,000 Awarded Shares is HK\$2,288,331

Vesting period: The Awarded Shares shall, subject to the satisfaction of the vesting conditions, be vested in accordance with the following schedule:

- (i) approximately 34% of the Awarded Shares shall be vested on 31 March 2024; and
- (ii) approximately 66% of the Awarded Shares shall be vested on 31 March 2025

Vesting conditions: Remain employment with the Group and satisfactory performance

### **Proposed Issue of New Shares to the Connected Awardee Pursuant to the Share Award Scheme**

Out of 21,415,000 Awarded Shares, 4,000,000 Awarded Shares are awarded to the Connected Awardee. Particulars of the Award to the Connected Awardee are summarised as follows:

Name of the Connected Awardee:	Ms. Chan Wai Chung Caroline (“ <b>Ms. Chan</b> ”)
Date of the award:	1 April 2023
Relationship with the Company:	Executive Director
Number of Awarded Shares awarded:	4,000,000, which does not exceed 1% of the total number of issued Shares as at the date of this announcement
Subscription price:	Nil
Market price of the Awarded Shares on the date of the award:	Based on the closing price of HK\$0.129 per Shares as quoted on the Stock Exchange on 31 March 2023, being the trading day on the Stock Exchange immediately preceding the date of Award, and the market value of 4,000,000 Awarded Shares is HK\$516,000  The average closing price of the Shares for the five consecutive trading days immediately preceding the date of this announcement as quoted on the Stock Exchange is HK\$0.1314, and the market value of 4,000,000 Awarded Shares is HK\$525,600
Vesting period:	The Awarded Shares shall, subject to the satisfaction of the vesting conditions, be vested in accordance with the following schedule:

- (iii) approximately 34% of the Awarded Shares shall be vested on 31 March 2024; and

- (iv) approximately 66% of the Awarded Shares shall be vested on 31 March 2025

Vesting conditions: Continue to contribute to the Group's business and continuous performance in her role as an executive Director and discharge her role of governance during the vesting period

The 4,000,000 Awarded Shares represent 1% of the Company's issued Shares as at the date of this announcement and approximately 0.95% of the Company's issued Shares as enlarged by the issue and allotment of the new Shares pursuant to the proposed issue and allotment of the new Shares (assuming that there is no change in the share capital of the Company from the date of this announcement up to the date of the proposed issue and allotment of the new Shares).

### **Lapse of Award**

In the event (i) the Awardee is, prior to the relevant vesting date, found to have ceased to be an employee; (ii) the subsidiary by which the Awardee is employed ceases to be a subsidiary of the Company; (iii) the Board or the Committee shall at its absolute discretion determine that (a) the Awardee or the associate has committed breach of any contract entered into between the Awardee or the associate on one part and the relevant member of the Group on the other part; (b) the Awardee has been guilty of misconduct or committed any act of bankruptcy or subject to analogous proceedings or has been convicted any criminal offence involving integrity or honesty; or (c) the Awardee could no longer make any contribution to the growth and development of the Group; or (iv) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company, the Award shall automatically lapse forthwith and all the Awarded Shares shall not vest on the relevant vesting date but shall become Returned Shares for the purposes of the Share Award Scheme.

### **ISSUE AND ALLOTMENT OF THE NEW SHARES**

The proposed issue and allotment of 17,415,000 new Shares to the Non-Connected Awardees shall be subject to the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in such Awarded Shares.

The Proposed Connected Issue and Allotment shall be subject to (i) the approval of the Independent Shareholders at the EGM in respect of the Award to the Connected Awardee and the Proposed Connected Issue and Allotment; and (ii) the Listing Committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in such Awarded Shares.

### **LISTING RULES IMPLICATIONS**

The Connected Awardee, being an executive Director and a shareholder of the Company, is a connected person of the Company pursuant to Rule 20.07 of the GEM Listing Rules. Therefore the Award to the Connected Awardee and the Proposed Connected Issue and Allotment shall constitute a

connected transaction of the Company under Chapter 20 of the GEM Listing Rules and shall be subject to the reporting, announcement, circular and the Independent Shareholders' approval under the GEM Listing Rules.

The EGM will be convened and held to consider, and if thought fit, approve among other things, the Award to the Connected Awardee and the Proposed Connected Issue and Allotment, together with other transactions contemplated thereunder.

Ms. Chan, being the Connected Awardee, and her associate will be required to abstain from voting on the resolution proposed at the EGM to approve the Proposed Connected Issue and Allotment. Save as disclosed above, none of the Directors has material interest in, or is required to abstain from voting on the Award to the Connected Awardee and the Proposed Connected Issue and Allotment. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save for the Connected Awardee and her associates, no other Shareholder is required to abstain from voting on the resolution to approve, among others, the Proposed Connected Issue and Allotment, together with other transactions contemplated thereunder at the EGM.

A circular containing, among other things, (i) further details of the Award to the Connected Awardee and the Proposed Connected Issue and Allotment, together with other transactions contemplated thereunder; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Award to the Connected Awardee and other transactions contemplated thereunder; (iii) a letter of advice of the independent financial adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM will be despatched to the Shareholders in due course.

The Share Award Scheme constitutes a share scheme pursuant to the new Chapter 23 (effective on 1 January 2023) of the GEM Listing Rules. As such, the Award to the Connected Awardee and the Proposed Connected Issue and Allotment will be made pursuant to the 2022 General Mandate in consistent with the transitional arrangements of the new Chapter 23 of the GEM Listing Rules. The Company will comply with the transitional arrangements in accordance with the new Chapter 23 of the GEM Listing Rules.

Assuming there are no other changes to the shareholding structure of the Company from the date of this announcement up to the date of the proposed issue and allotment of the new Shares, the Company will be able to comply with the public float requirement under the GEM Listing Rules immediately after the proposed issue and allotment of the new Shares.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee, comprising all independent non-executive Directors, namely, Mr. Choi Hon Ting Derek, Mr. Ng Jack Ho Wan and Mr. Wan Chi Wai Anthony, has been established to give recommendation to the Independent Shareholders on the Proposed Connected Issue and Allotment. Messis Capital Limited has been appointed by the Company as an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders.

## **REASONS FOR AND BENEFITS OF THE AWARD OF THE AWARDED SHARES**

The Share Award Scheme forms part of the incentive schemes of the Group. The Board recognises the contributions and efforts made by the Awardees and considers that the Award is an effective incentive for their support to the Group's business operations. The Board also consider that the Award to the Awardees will allow the Group to attract, retain and motivate talents for the continual support for future development. In particular, the Connected Awardee has been a core member of the Company's executive management and has provided valuable advice to the Group's development throughout the year. The Award will procure further support from the Awardees to the Group.

As the Award will be satisfied by the issue and allotment of the new Shares, there will not be any actual cash outflow by the Group. In light of the above, the Directors are of the view that the terms and conditions of the Award and the proposed issue and allotment of the new Shares are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS**

The Company has not conducted any equity fund raising activities in the past 12 months immediately preceding the date of this announcement.

## **GENERAL INFORMATION**

The Group is principally engaged in the provision of integrated printing services (including provision of financial printing services, marketing collateral printing services and other services).

## **DEFINITIONS**

“2022 General Mandate”	the general mandate granted by the Shareholders to the Directors to issue and allot and otherwise deal with new Shares at the annual general meeting of the Company held on 10 May 2022
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Award”	the award of the Awarded Shares to the Awardees under the Share Award Scheme
“Awarded Share(s)”	any Shares that may offered by the Company to any selected Eligible Participant under the Share Award Scheme
“Awardee(s)”	the Eligible Participants granted or proposed to be granted the Awarded Share(s) under the Share Award Scheme, comprising the Non-Connected Awardees and the Connected Awardee
“Board”	the board of directors of the Company

“Company”	HM International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on GEM of the Stock Exchange (stock code: 8416)
“Connected Awardee”	the Awardee who is a connected person of the Company
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Directors”	the director(s) of the Company
“EGM”	the extraordinary general meeting to be convened and held by the Company to consider and if thought fit, approve among other things, the Award to the Connected Awardee and the Proposed Connected Issue and Allotment
“Eligible Participant(s)”	the eligible participant(s) as defined under the Share Award Scheme
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special and Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company, comprising the independent non-executive Directors of the Company, namely, Mr. Choi Hon Ting Derek, Mr. Ng Jack Ho Wan and Mr. Wan Chi Wai Anthony
“Independent Shareholders”	the independent Shareholders other than the Connected Awardee and the respective associates
“Listing Committee”	the Listing Committee of the Stock Exchange
“Non-Connected Awardee(s)”	the Awardee(s) who are not connected person(s) of the Company
“Original Trustee”	Tricor Trust (Hong Kong) Limited, a company incorporated under the laws of Hong Kong and having its registered office at 5/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong

“PRC”	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Proposed Connected Issue and Allotment”	the proposed issue and allotment of 4,000,000 Awarded Shares to the Connected Awardee
“Returned Shares”	Such Awarded Shares which are not vested and/or forfeited in accordance with the terms of the Share Award Scheme (whether as a result of a lapse of an Award or any part thereof or otherwise), or such Shares being deemed to be Returned Shares
“Shares”	ordinary shares of HK\$0.01 par value each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Share Award Scheme”	the share award scheme adopted by the Board on 4 July 2022, whereby Awarded Shares may be made to the Eligible Participants under the share award scheme (such as Shares being subscribed or purchased by the Trustee)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trustee”	the Original Trustee or other trustee or trustees (which is or are independent of and not connected to the Company) as shall be appointed pursuant to and in accordance with the terms of the trust deed under the Share Award Scheme
“%”	per cent.

By order of the Board  
**HM International Holdings Limited**  
**Yu Chi Ming**  
*Chairman*

Hong Kong, 3 April 2023

*As at the date of this announcement, the executive Directors of the Company are Mr. Yu Chi Ming, Mr. Chan Wai Lin and Ms. Chan Wai Chung Caroline; and the independent non-executive Directors of the Company are Mr. Choi Hon Ting Derek, Mr. Ng Jack Ho Wan and Mr. Wan Chi Wai Anthony.*

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

*This announcement is published on the GEM website at “www.hkgem.com” and will remain on its “Latest Listed Company Information” page for at least seven days from the date of publication. This announcement will also be published on the Company’s website at “www.hetermedia.com”.*