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AKM Industrial Company Limited
安捷利實業有限公司

(incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 1639)

**(1) APPOINTMENT OF INDEPENDENT NON-EXECUTIVE
DIRECTOR, CHAIRMAN OF REMUNERATION COMMITTEE,
A MEMBER OF AUDIT COMMITTEE AND
A MEMBER OF NOMINATION COMMITTEE; AND
(2) ADJUSTMENT OF REMUNERATION FOR EXISTING
INDEPENDENT NON-EXECUTIVE DIRECTORS**

APPOINTMENT OF MR. ZHANG GUO QI

The board (the “**Board**”) of directors (the “**Directors**”) of AKM Industrial Company Limited (the “**Company**”) announces that Mr. Zhang Guo Qi (張國旗) (“**Mr. Zhang**”) has been appointed as an independent non-executive Director, the chairman of the remuneration committee, a member of the audit committee and a member of the nomination committee of the Company with effect from 21 December 2020.

Mr. Zhang, aged 61, received his doctorate degree in aerospace engineering from the Delft University of Technology and is currently chair professor of Center for Micro/Nanoelectronics System Integration and Reliability at the Delft University of Technology. Mr. Zhang is a Fellow of the Institute of Electrical and Electronics Engineers (IEEE) since 2014. He is currently the Secretary General of the International Technology Roadmap of Wide Bandgap Semiconductors (ITRW), and also a Co-Chair of the Advisory Board of International Solid State Lighting Alliance (ISA) since 2010. Mr. Zhang is also honorary professor of the Institute of Semiconductors, Chinese Academy of Sciences (中國科學院半導體研究所).

Mr. Zhang received the Outstanding Sustained Technical Contribution Award from the IEEE Electronics Packaging Society (formerly known as IEEE Components, Packaging, and Manufacturing Technology Society) in 2015, the Special Achievement Award for Electronic Packaging Technologies from the Electronic Manufacturing and Packaging Technology Society of Chinese Institute of Electronics (CIE-EMPT) in 2009, the Excellent Leadership Award in simulation and modeling of micro/nanoelectronics and systems from International Conference on Thermal, Mechanical and Multi-Physics Simulation and Experiments in Microelectronics and Microsystems (EuroSimE) in 2009, and Outstanding Contributions to Reliability Research Award from the European Center for Micro- and Nanoreliability in 2007.

Mr. Zhang is appointed as an independent non-executive Director on 21 December 2020. Pursuant to his appointment confirmation dated 21 December 2020, Mr. Zhang is entitled to receive a fee of HK\$100,000 per annum which is determined with reference to his experience and estimated time to be spent, which may be reviewed upwards or downwards in January of each year. Mr. Zhang's appointment is for a term of 3 years commenced from 21 December 2020 and expiring on 20 December 2023 which term may be terminated by either Mr. Zhang or the Company serving at least three calendar months' prior notice in writing to the other party.

Save for the appointment of independent non-executive Director, Mr. Zhang does not hold any other position in the Company or any of its subsidiaries and does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**")) of the Company as at the date of this announcement. Mr. Zhang has not been a director of any listed public company in the last three years. He does not have any interests in shares of the Company within the meaning of Part XV of the SFO as at the date of this announcement. Mr. Zhang has confirmed his independence for the purpose of Rule 3.13 of the Listing Rules.

Furthermore, Mr. Zhang has confirmed that there is no information relating to his appointment that is required to be disclosed under Rule 13.51(2) of the Listing Rules, or need to be brought to the attention of the shareholders of the Company.

Following the appointment of Mr. Zhang, the Company has fully complied with the requirement on minimum number of independent non-executive Directors under Rule 3.10(1) of the Listing Rules, the requirement on minimum number of members of the audit committee under Rule 3.21 of the Listing Rules, the requirement that the remuneration committee should comprise a majority of independent non-executive Directors under Rule 3.25 of the Listing Rules, and the requirement that the nomination committee should comprise a majority of independent non-executive Directors under Code A.5.1 of Appendix 14 of the Listing Rules.

The Board would like to take this opportunity to welcome Mr. Zhang for joining the Board.

ADJUSTMENT OF REMUNERATION FOR EXISTING INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board also announces that, with effect from 1 January 2021, the directors' fee payable to Mr. Hung Chi Yuen Andrew would be increased from HK\$60,000 per annum to HK\$100,000 per annum, while the director's fee payable to Mr. Cui Zheng would be increased from HK\$72,000 per annum to HK\$100,000 per annum (collectively "**Remuneration Adjustment**"). Save as disclosed herein, all other terms and conditions of the director's remuneration remain unchanged. The Remuneration Adjustment was proposed by the remuneration committee of the Company and was approved by the Board.

The purpose of the Remuneration Adjustment is to recognize the contribution of Mr. Hung Chi Yuen Andrew and Mr. Cui Zheng to the growth and development of the Group. The remuneration of Mr. Hung Chi Yuen Andrew and Mr. Cui Zheng are determined with reference to their respective experience, responsibilities and estimated time to be spent, with reference to the prevailing market conditions. The Board considers that the Remuneration Adjustment is in the interests of the Company and its shareholders as a whole.

By order of the Board
AKM Industrial Company Limited
Xiong Zheng Feng
Chairman

Hong Kong, 21 December 2020

As at the date of this announcement, the executive Director is Mr. Xiong Zheng Feng; the non-executive Directors are Mr. Gao Xiaoguang, Mr. Jia Junan, Mr. Wang Chunsheng, Ms. Zhang Xiaoming and Mr. Liu Jianzhe; and the independent non-executive Directors are Mr. Hung Chi Yuen Andrew, Mr. Cui Zheng and Mr. Zhang Guo Qi.