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HM International Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8416)

**MAJOR TRANSACTION
IN RELATION TO THE LEASE**

The Board announces on 4 March 2024, the Lessee (a wholly-owned subsidiary of the Company) as lessee, and the Lessor (an Independent Third Party) as lessor entered into the Lease in relation to the lease of the Premises for a term of five (5) years commencing from 1 April 2024 and expiring on 31 March 2029 (both days inclusive).

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the acquisition of right-of-use assets of the Premises recognised by the Group pursuant to HKFRS 16 under the Lease is 25% or more but is less than 100%, the entering into of the Lease constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

The Company has obtained a written approval for the Lease and the transactions contemplated thereunder from its controlling Shareholder holding more than 50% of the voting rights as at the date of this announcement. Accordingly, the Lease and the transactions contemplated thereunder have been approved by way of written Shareholders' approval in lieu of holding a general meeting of the Company pursuant to Rule 19.44 of the GEM Listing Rules.

A circular (for information purposes only) containing, among other things, further details of the Lease and the transactions contemplated thereunder, will be despatched to the Shareholders by 25 March 2024.

INTRODUCTION

The Board announces on 4 March 2024, the Lessee (a wholly-owned subsidiary of the Company) as lessee, and the Lessor (an Independent Third Party) as lessor entered into the Lease in relation to the lease of the Premises for a term of five (5) years commencing from 1 April 2024 and expiring on 31 March 2029 (both days inclusive).

THE LEASE

The principal terms of the Lease are as follows:

Date : 4 March 2024

Parties : (1) Jetwise (an Independent Third Party) as Lessor; and
(2) HSL (a wholly-owned subsidiary of the Company) as Lessee

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Lessor and its ultimate beneficial owner(s) are Independent Third Parties.

Premises : The whole of 35th Floor of Dah Sing Financial Centre, No. 248 Queen's Road East, Wan Chai, Hong Kong

Term : Five years commencing from 1 April 2024 and expiring on 31 March 2029 (both days inclusive)

Monthly rent : The monthly rent is as follows:

- (a) from 1 April 2024 to 31 March 2027: HK\$333,554; and
- (b) from 1 April 2027 to 31 March 2029: HK\$370,615.

The monthly rent is payable by the Lessee on the 1st day of each and every calendar month during the term of the Lease.

The Lessee shall enjoy a rent-free period for four (4) months from 1 April 2024 to 31 July 2024.

The monthly rent is exclusive of the relevant rates, management fees, air-conditioning charges and other utility charges, which shall be paid and discharged punctually by the Lessee during the term of the lease of the Premises, including the said rent-free period.

The monthly rent was determined after arm's length negotiations between the parties with reference to the prevailing market rent for comparable premises in the vicinity of the Premises.

- Rental deposit** : HK\$1,111,845
- Use of the Premises** : For the purpose of office only
- Option to renew** : The Lessee shall have an option to renew the tenancy for a further term of three (3) years commencing on 1 April 2029 to 31 March 2032 (both days inclusive) from the expiry of the current term at the then prevailing market rent which shall not be less than HK\$370,615 per month and shall not be more than HK\$444,738 per month (exclusive of rates, air-conditioning charges, management fees and other utility charges).

THE RIGHT-OF-USE ASSETS

The unaudited value of the right-of-use asset recognised by the Company under the Lease amounted to approximately HK\$16,954,000 which is calculated with reference to the aggregate lease payment and discounted by a discounted rate.

INFORMATION ON THE PARTIES

The Lessee is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company. It principally engages in provision of integrated printing services in Hong Kong.

The Lessor is a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of Sunlight Real Estate Investment Trust, a real estate investment trust authorised by the SFC and listed on the Stock Exchange (stock code: 435). The Lessor principally engages in property investment.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Lessor and its ultimate beneficial owner(s) are Independent Third Parties.

REASONS AND BENEFITS OF THE LEASE

The Company is an investment holding company. The Group principally engages in provision of integrated printing services, concept creation and artwork design, IT and languages services.

The Group's current headquarters and principal place of business in Hong Kong is located at the whole of 9th Floor of the Commercial Development of Infinitus Plaza, No. 199 Des Voeux Road Central, Hong Kong, with a monthly rent of HK\$589,000.50 (exclusive of rates, management fees

and air-conditioning charges and other outgoings), and the lease of which is expiring on 31 July 2024. The Board is of the view that entering into the Lease provides the Group with an opportunity to relocate its headquarters in Hong Kong, while benefiting from a lower rental rate. The Company will publish an announcement in relation to the change of principal place of business in Hong Kong in due course.

The Lease was entered into on normal commercial terms after arm's length negotiations between the parties with reference to the prevailing market rent for comparable premises in the vicinity of the Premises. Therefore, the Board considers that the terms of the Lease were fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

Pursuant to HKFRS 16, the entering into of the Lease by HSL as the Lessee will require the Group to recognise the right-of-use asset in its consolidated financial statements of financial position. Therefore, the entering into of the Lease will be regarded as an acquisition of asset by the Group under the definition of transaction set out in Rule 19.04(1)(a) of the GEM Listing Rules. The unaudited value of the right-of-use asset recognised by the Company under the Lease amounted to approximately HK\$16,954,000.

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the acquisition of right-of-use assets of the Premises recognised by the Group pursuant to HKFRS 16 under the Lease is 25% or more but is less than 100%, the entering into of the Lease constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

To the best of the knowledge of the Directors, no Shareholder has a material interest in the Lease and the transactions contemplated thereunder, and no Shareholder would be required to abstain from voting at a general meeting of the Company for approving the same if the Company were to convene such a general meeting. As at the date of this announcement, the Company has obtained a written approval for the Lease and the transactions contemplated thereunder from its controlling Shareholder HM Ultimate, which holds 222,760,000 Shares, representing approximately 52.9% of the total issued Shares as at the date of this announcement. Accordingly, the Lease and the transactions contemplated thereunder have been approved by way of written Shareholders' approval in lieu of holding a general meeting of the Company pursuant to Rule 19.44 of the GEM Listing Rules.

GENERAL

A circular (for information purposes only) containing, among other things, further details of the Lease and the transactions contemplated thereunder, will be despatched to the Shareholders by 25 March 2024.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context requires otherwise:

“Board”	the Board of Directors
“Company”	HM International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM (stock code: 8416)
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKFRS(s)”	Hong Kong Financial Report Standards issued by the Hong Kong Institute of Certified Public Accountants
“HM Ultimate”	HM Ultimate Holdings Limited, the controlling Shareholder of the Company which is holding 222,760,000 Shares (representing approximately 52.9% of the total issued Shares) as at the date of this announcement, and is beneficially owned as to 70.2% by Mr. Yu Chi Ming and 29.8% by Mr. Chan Wai Lin, both of whom are executive Directors
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HSL” or “Lessee”	HeterMedia Services Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected person(s)

“Jetwise” or “Lessor”	Jetwise Investment Limited, a company incorporated in Hong Kong with limited liability who and whose ultimate beneficial owner(s) are Independent Third Parties
“Lease”	the lease dated 29 February 2024 entered into by HSL as lessee, and Jetwise as lessor in relation to the lease of the Premises
“Premises”	the whole of 35th Floor of Dah Sing Financial Centre, No. 248 Queen’s Road East, Wan Chai, Hong Kong
“SFC”	The Securities and Futures Commission of Hong Kong
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 par value each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board
HM International Holdings Limited
Yu Chi Ming
Chairman and Executive Director

Hong Kong, 4 March 2024

As at the date of this announcement, the executive Directors are Mr. Yu Chi Ming, Mr. Chan Wai Lin and Ms. Chan Wai Chung Caroline; and the independent non-executive Directors 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”.