



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

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED
(THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the directors of HM International Holdings Limited (the “Company” and the “Directors”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company and its subsidiaries (collectively, the “Group”). The Directors, 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.

ANNUAL RESULTS

The board of Directors (the “**Board**”) of the Company is pleased to announce the audited consolidated financial results of the Group for the year ended 31 December 2021, together with the comparative audited figures for the year ended 31 December 2020. The financial information has been approved by the Board.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

	<i>Notes</i>	2021 HK\$'000	2020 <i>HK\$'000</i>
Revenue	4	172,804	119,519
Cost of sales		(108,942)	(75,924)
Gross profit		63,862	43,595
Other (loss)/income and gains/(losses)		(1,863)	8,780
Selling expenses		(14,308)	(11,524)
Administrative expenses		(43,403)	(41,926)
Share of profit/(loss) of an associate		1,128	(502)
Share of profit of a joint venture		102	–
Finance costs		(1,684)	(3,117)
Profit/(loss) before tax		3,834	(4,694)
Income tax credit/(expense)	6	86	(311)
Profit/(loss) for the year	7	3,920	(5,005)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 December 2021

	<i>Notes</i>	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Profit/(loss) for the year	7	<u>3,920</u>	<u>(5,005)</u>
Other comprehensive income/(expense)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translating of foreign operations		16	136
Share of other comprehensive (expense)/income of an associate		<u>(43)</u>	<u>178</u>
Other comprehensive (expense)/income for the year, net of income tax		<u>(27)</u>	<u>314</u>
Total comprehensive income/(expense) for the year		<u>3,893</u>	<u>(4,691)</u>
Profit/(loss) for the year attributable to:			
Owners of the Company		3,884	(4,527)
Non-controlling interests		<u>36</u>	<u>(478)</u>
		<u>3,920</u>	<u>(5,005)</u>
Total comprehensive income/(expense) for the year attributable to:			
Owners of the Company		3,857	(4,213)
Non-controlling interests		<u>36</u>	<u>(478)</u>
		<u>3,893</u>	<u>(4,691)</u>
		<i>HK cents</i>	<i>HK cents</i>
Earnings/(loss) per share			
Basic and diluted	9	<u>0.97</u>	<u>(1.13)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2021

	<i>Notes</i>	2021 HK\$'000	2020 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		2,976	4,680
Right-of-use assets		6,940	18,347
Intangible assets		7,275	9,697
Interest in an associate		9,469	8,384
Interest in a joint venture		102	—*
Deferred tax assets		16	16
		<u>26,778</u>	<u>41,124</u>
Current assets			
Contract assets		1,812	2,937
Trade and other receivables	<i>10</i>	38,025	29,381
Amount due from a joint venture		849	960
Current tax assets		—	998
Pledged bank deposits		1,000	1,000
Cash and bank balances		58,935	52,382
		<u>100,621</u>	<u>87,658</u>
Total assets		<u>127,399</u>	<u>128,782</u>
Current liabilities			
Contract liabilities		10,155	5,992
Trade and other payables	<i>11</i>	22,522	20,314
Contingent consideration payable		—	322
Amount due to non-controlling interests		485	485
Lease liabilities		8,078	11,857
Current tax liabilities		111	256
		<u>41,351</u>	<u>39,226</u>
Net current assets		<u>59,270</u>	<u>48,432</u>
Total assets less current liabilities		<u>86,048</u>	<u>89,556</u>

* Less than HK\$1,000

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 December 2021

	<i>Notes</i>	2021 HK\$'000	2020 <i>HK\$'000</i>
Non-current liabilities			
Lease liabilities		450	8,393
Deferred tax liabilities		352	365
		<u>802</u>	<u>8,758</u>
Net assets		85,246	80,798
Capital and reserves			
Share capital		4,000	4,000
Reserves		83,309	79,452
Equity attributable to owners of the Company		87,309	83,452
Non-controlling interests		(2,063)	(2,654)
Total equity		85,246	80,798

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. GENERAL

The Company was incorporated in the Cayman Islands on 13 January 2016 as an exempted company with limited liability. Its parent and ultimate holding company is HM Ultimate Holdings Limited, a company incorporated in the British Virgin Islands (“**BVI**”) and owned by Mr. Yu Chi Ming (“**Mr. Yu**”) and Mr. Chan Wai Lin (“**Mr. Chan**”). The Company has been registered as a non-Hong Kong company under Part 16 of the Companies Ordinance (Cap. 622). Its shares were initially listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The address of the registered office of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and the principal place of business is 9/F, Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong. The Company is an investment holding company. 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).

The consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”), which is also the functional currency of the Company and all values are rounded to the nearest thousand (“**HK\$’000**”) unless otherwise stated.

2. APPLICATION OF AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2021 for the preparation of the consolidated financial statements:

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2
Amendment to HKFRS 16	Covid-19-Related Rent Concessions

The application of the amendments to HKFRSs in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17	Insurance Contracts and the related Amendments ¹
Amendments to HKFRS 3	Reference to the Conceptual Framework ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 ⁴
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ¹
Amendments to HKAS 1 and HKFRS Practice Statements 2	Disclosure of Accounting Policies ¹
Amendments to HKAS 8	Disclosure of Accounting Estimates ¹
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction ¹
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use ²
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ²
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020 ²

¹ Effective for annual periods beginning on or after 1 January 2023.

² Effective for annual periods beginning on or after 1 January 2022.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ Effective for annual periods beginning on or after 1 April 2021.

The directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance.

4. REVENUE

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Recognised over time:		
– Provision of financial printing services	139,000	107,316
– Provision of marketing collateral printing services	26,613	9,316
– Provision of other services	7,191	2,887
	<u>172,804</u>	<u>119,519</u>

5. SEGMENT INFORMATION

HKFRS 8 *Operating Segments*, requires identification and disclosure of operating segment information based on internal financial reports that are regularly reviewed by the executive directors of the Company, being the chief operating decision maker, for the purpose of resources allocation and performance assessment. On this basis, the Group has determined that it only has one operating segment which is the provision of integrated printing services.

Geographical information

In addition, the Group's revenue is substantially generated in Hong Kong and the Group's assets and liabilities are also substantially located in Hong Kong. Accordingly, the Group does not present separately segment information.

Information about major customers

No individual customer contributed over 10% of the total revenue of the Group during the years ended 31 December 2021 and 2020.

6. INCOME TAX (CREDIT)/EXPENSE

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Hong Kong Profits Tax		
Current tax		
– Current year	102	–
The People’s Republic of China (the “PRC”) Enterprise Income Tax		
Current tax		
– Current year	37	36
Overprovision in prior year	(212)	(207)
Deferred tax		
– Current year	(13)	482
Total income tax recognised in profit or loss	<u>(86)</u>	<u>311</u>

7. PROFIT/(LOSS) FOR THE YEAR

Profit/(loss) for the year has been arrived at after charging:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Employee benefits expense (including directors’ emoluments):		
Salaries, allowances and other benefits in kind	60,817	50,142
Contributions to retirement benefits schemes	3,047	2,442
Equity-settled share-based payments	–	28
Total employee benefits expense	<u>63,864</u>	<u>52,612</u>
Auditors’ remuneration	800	800
Amortisation of intangible assets (included in cost of sales on the consolidated statement of profit or loss and other comprehensive income)	929	261
Depreciation of property, plant and equipment	2,549	3,248
Depreciation of right-of-use assets	11,416	10,818
Donation	53	33
Provision for impairment losses on trade receivables	545	3,371
Impairment losses on goodwill	2,260	–
Rental expense from short-term leases	<u>634</u>	<u>241</u>

8. DIVIDENDS

A final dividend of HK0.75 cents (2020: nil) per share of the Company for the year ended 31 December 2021 have been proposed by the directors and is subject to approval by shareholders in the forthcoming annual general meeting. The proposed final dividend for the year ended 31 December 2021 will be distributed on or about Monday, 20 June 2022 to shareholders whose names appear on the Company's register of members on Monday, 23 May 2022 (the record date).

9. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share attributable to owners of the Company is based on the following data:

	2021	2020
Profit/(loss) attributable to owners of the Company (<i>HK\$'000</i>)	<u>3,884</u>	<u>(4,527)</u>
Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share (<i>in thousand</i>)	<u>400,000</u>	400,000
Basic earnings/(loss) per share (<i>HK cents</i>)	<u><u>0.97</u></u>	<u><u>(1.13)</u></u>

For the years ended 31 December 2021 and 2020, the calculation of the basic earnings/(loss) per share is based on the profit/(loss) attributable to owners of the Company and the weighted average number of ordinary shares issued during the year.

For the years ended 31 December 2021 and 2020, the computation of diluted earnings/(loss) per share does not assume the exercise of the share options because the exercise price of those share options was higher than the average market price of shares.

10. TRADE AND OTHER RECEIVABLES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Trade receivables	30,549	22,952
Less: Provision for impairment losses on trade receivables	<u>(685)</u>	<u>(140)</u>
	29,864	22,812
Other receivables and prepayments	<u>8,161</u>	<u>6,569</u>
	<u><u>38,025</u></u>	<u><u>29,381</u></u>

The following is an aged analysis of trade receivables presented based on the invoice date:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
0 – 30 days	16,372	11,046
31 – 60 days	6,769	5,435
61 – 90 days	2,394	2,747
91 – 365 days	4,490	2,773
Over 365 days	524	951
	<u>30,549</u>	<u>22,952</u>

The credit terms granted to customers are varied and are generally the result of negotiations between individual customers and the Group. The credit period was ranging from 30 days to 90 days (2020: 30 days to 90 days). Interest could be charged on overdue receivables.

11. TRADE AND OTHER PAYABLES

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
Trade payables	15,356	13,703
Other payables and accruals	7,166	6,611
	<u>22,522</u>	<u>20,314</u>

The trade payables are non-interest bearing. The credit period was ranging from 30 days to 90 days (2020: 30 days to 90 days). The following is an aged analysis of trade payables presented based on the invoice date:

	2021 <i>HK\$'000</i>	2020 <i>HK\$'000</i>
0 – 30 days	8,640	3,332
31 – 60 days	3,196	5,603
61 – 90 days	1,536	1,447
91 – 365 days	1,686	3,321
Over 365 days	298	–
	<u>15,356</u>	<u>13,703</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the year under review, we continued to adhere to our core business of offering a wide spectrum of services, from financial printing for corporations listed on the Stock Exchange and potential listing applicants to marketing collateral printing for fund houses and insurance companies. The revenue of the Group rose by approximately HK\$53.3 million during the year, for an increase of approximately 44.6% compared with last year. This increase is attributable to the organic business growth and the contribution of the revenue of i.Link Group Limited (“**i.Link**”), a subsidiary acquired on 31 July 2020 and whose comparative figures were only included in the financial results from 1 August 2020 to 31 December 2020. Unless otherwise stated in the separate expense headings, the reason for the increase in expenses relative to the same period last year stemmed from that acquisition.

Composite of revenue contributed by number of jobs completed during the year of 2021 and 2020 are 8,450 and 5,932 respectively.

In September 2021, we acquired a 51% equity interest of TILT PTE. LTD., a Singapore-based company that provides art and graphic design services for SGD119,340. The acquisition will further strengthen our design services for our clients.

FINANCIAL REVIEW

Revenue

The Group revenue for the year ended 31 December 2021 was HK\$172.8 million compared to HK\$119.5 million for the year ended 31 December 2020, representing an increase of approximately 44.6%. In addition, the revenue contributed by the i.Link team was HK\$38.2 million, which represents 22.1% of the Group revenue of HK\$172.8 million. The increase primarily stemmed from the increase in revenue from (i) financial printing projects, which increased by approximately HK\$31.7 million, or 29.5%, from approximately HK\$107.3 million for 2020, to approximately HK\$139.0 million for 2021; (ii) the marketing collateral printing projects, which increased by approximately HK\$17.3 million, or 185.7% from approximately HK\$9.3 million for 2020 to approximately HK\$26.6 million for 2021; and the other projects of approximately HK\$4.3 million, or 149.1% from approximately HK\$2.9 million for 2020 to approximately HK\$7.2 million for 2021. The breakdown of our Group’s revenue is as follows:

The breakdown of our Group's revenue is as follows:

	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
Financial printing projects	139,000	107,316
Marketing collateral printing projects	26,613	9,316
Other projects	7,191	2,887
	<u>172,804</u>	<u>119,519</u>

Gross Profit and Gross Profit Margin

The Group's gross profit increased by approximately HK\$20.3 million, or 46.5%, from approximately HK\$43.6 million for the year ended 31 December 2020 to approximately HK\$63.9 million for the year ended 31 December 2021. It was mainly due to the increase in revenue. The Group's gross profit margin for the years ended 31 December 2021 and 2020 were approximately 37.0% and 36.5% respectively.

Other (Loss)/Income and Gains/(Losses)

The Group's other (loss)/income decreased by approximately HK\$10.6 million from approximately HK\$8.8 million for the year ended 31 December 2020 to a loss of approximately HK\$1.9 million for the year ended 31 December 2021. Such decrease was mainly attributable to impairment losses on goodwill recognised during the year and the Hong Kong Government's subsidy received under the Employment Support Scheme in last year.

Selling Expenses

The Group's selling expenses increased by approximately HK\$2.8 million, or 24.2%, from approximately HK\$11.5 million for the year ended 31 December 2020 to approximately HK\$14.3 million for the year ended 31 December 2021. The increase was mainly attributable to the increase in the number of sales staff.

Administrative Expenses

The Group's administrative expenses increased by approximately HK\$1.5 million, or 3.5%, from approximately HK\$41.9 million for the year ended 31 December 2020 to approximately HK\$43.4 million for the year ended 31 December 2021.

Finance Costs

Finance costs decreased by approximately HK\$1.4 million from approximately HK\$3.1 million for the year ended 31 December 2020 to approximately HK\$1.7 million for the year ended 31 December 2021. Such decrease was mainly due to the decrease in interest on lease liabilities.

Taxation

The Group's income tax expense decreased by approximately HK\$0.4 million, or 127.6% from approximately HK\$0.3 million of tax expense for the year ended 31 December 2020 to approximately HK\$0.09 million of tax credit for the year ended 31 December 2021.

Profit/(Loss) for the year and Net Profit/(Loss) Margin

Profit/(loss) after tax of the Group increased by approximately HK\$8.9 million, from a loss of approximately HK\$5.0 million for the year ended 31 December 2020 to approximately HK\$3.9 million for the year ended 31 December 2021. Such increase was mainly due to the increase in Group's revenue as compared to the year ended 31 December 2020. The net profit/(loss) margins for the years ended 31 December 2021 and 2020 were approximately 2.3% and 4.2% respectively.

FINANCIAL RESOURCES, LIQUIDITY AND GEARING RATIO

As at 31 December 2021,

- (a) the Group's total assets decreased to approximately HK\$127.4 million (2020: approximately HK\$128.8 million) while the total equity increased to approximately HK\$85.2 million (2020: approximately HK\$80.8 million);
- (b) the Group's current assets increased to approximately HK\$100.6 million (2020: approximately HK\$87.7 million) while the current liabilities increased to approximately HK\$41.4 million (2020: approximately HK\$39.2 million);
- (c) the Group had approximately HK\$58.9 million in cash and bank balances (2020: approximately HK\$52.4 million), which included cash and bank balances in Renminbi ("RMB") of approximately RMB4.6 million, in US dollars ("USD") of approximately USD0.3 million, in Taiwan dollars ("TWD") of approximately TWD0.7 million, in Singapore dollars ("SGD") of approximately SGD0.1 million, and approximately HK\$50.3 million, and the current ratio of the Group was approximately 2.4 times (2020: approximately 2.2 times);
- (d) the Group had leases liabilities of approximately HK\$8.5 million (2020: approximately HK\$20.3 million); and
- (e) the gearing ratio (calculated based on debts including payables incurred not in the ordinary course of business divided by total equity as at the respective period end and multiplied 100%) of the Group was 10.0% (2020: 25.0%).

FUTURE PROSPECTS

We remain reasonably optimistic about sustaining our core business throughout the rest of the year, despite the uncertainties created by the COVID-19 pandemic.

We will also continue to explore potential opportunities to develop our core and related businesses, and, if appropriate, explore selective acquisition and partnership in order to strengthen our revenue base and maximizing both returns to shareholders and the value of the Group.

CAPITAL EXPENDITURE

As at 31 December 2021, the Group had approximately HK\$1.8 million of capital expenditure (2020: approximately HK\$2.9 million).

SIGNIFICANT INVESTMENTS

As at 31 December 2021, the Group did not hold any significant investments (2020: nil).

CONTINGENT LIABILITIES

As at 31 December 2021, the Group did not have any significant contingent liabilities (2020: nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2021, the Group had 138 employees (2020: 145) in Hong Kong, 8 employees (2020: 8) in PRC and 10 employees (2020: 11) in Taiwan. We believe that hiring, motivating and retaining qualified employees are crucial to our success as a reliable financial printer. Total staff costs (including Directors' emoluments) were approximately HK\$63.9 million for the year ended 31 December 2021 (2020: approximately HK\$52.6 million). The remuneration packages of the Group's employees include fees, salaries, retirement benefit scheme contributions and other benefits. The remuneration policies of the Group, including promotion, bonus, salary increment and other benefits, are formulated based on the Group's operating results, employees' individual performance, working experience, respective responsibilities, merit, qualifications and competence, as well as comparable to the prevailing market practice, standards and statistics. The remuneration policies of the Group are reviewed by the management of the Group regularly. The dedication and hard work of the Group's staff during the year ended 31 December 2021 are generally appreciated and recognised.

In addition, the Group adopted a share option scheme (the "**Scheme**") on 15 December 2016. On 16 March 2020, 1,560,000 share options were granted for HK\$1.00 consideration to employees under the Scheme at an exercise price of HK\$0.70 per share. No options were exercised during the year ended 31 December 2021 (2020: nil).

INDEBTEDNESS AND CHARGES ON GROUP'S ASSETS

As at 31 December 2021, the Group had assets with the carrying amount of approximately HK\$1.0 million (2020: HK\$1.0 million) pledged to secure general banking facilities.

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

The Company has no material acquisitions or disposals of subsidiaries and associated companies during the year ended 31 December 2021.

FOREIGN CURRENCY EXPOSURE

The Group's businesses are mainly operated in Hong Kong. The sales and purchases are mainly denominated in HK\$ and customers rarely request to settle our billing by other foreign currencies such as USD and RMB.

The Group's assets, liabilities and transactions are mainly denominated in HK\$. Only a little portion of the Group's deposits with bank are denominated in USD, SGD and TWD (which are freely convertible into HK\$), and RMB (which is not freely convertible currency in the international market). The Directors are of the view that the Group's operating cash flow and liquidity are not subject to significant foreign exchange rate risks and, therefore, no hedging arrangements were made during the year ended 31 December 2021. However, the Group will review and monitor the relevant foreign exchange risk from time to time based on its business development requirements and may enter into foreign exchange hedging arrangements when applicable.

CORPORATE GOVERNANCE

The Company has applied the principles and adopted all code provisions, where applicable, of the Corporate Governance Code and Corporate Governance Report (the "CG Code") as contained in Appendix 15 to the GEM Listing Rules as its own code of corporate governance.

The Directors consider that during the year ended 31 December 2021, the Company has complied with all the code provisions as set out in the CG Code.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 December 2021, the Group was in compliance with all the laws and regulations applicable to the business operations of the Group.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the year ended 31 December 2021.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings in securities (the “**Required Standard of Dealings**”) as contained in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct governing Directors’ dealings in the Company’s securities. Following a specific enquiry made by the Company on the Directors, all of the Directors confirmed that they had complied with the Required Standard of Dealings during the year ended 31 December 2021 and up to the date of this announcement.

EVENTS AFTER THE REPORTING PERIOD

Subsequent to 31 December 2021 and up to the date of this announcement, save as disclosed in this announcement, the Board is not aware of any significant events requiring disclosure that have occurred.

FINAL DIVIDEND

The Board recommends a final dividend of HK0.75 cents per share of the Company for the year ended 31 December 2021 (2020: nil).

ANNUAL GENERAL MEETING (“AGM”)

The forthcoming AGM will be held on 10 May 2022 (Tuesday). A notice convening the AGM will be published on the Company’s website at www.hetermedia.com and the GEM website at www.hkgem.com in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 4 May 2022 (Wednesday) to 10 May 2022 (Tuesday), both days inclusive, during which period no transfer of shares of the Company will be registered. For determining the entitlement of members of the Company to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, no later than 4:30 p.m. on 3 May 2022 (Tuesday) for registration.

In order to determine the entitlement to the proposed final dividend for the year ended 31 December 2021 (subject to the approval by the shareholders at the forthcoming annual general meeting to be held on 10 May 2022), the Company's register of members will be closed from 18 May 2022 (Wednesday) to 23 May 2022 (Monday), both dates inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend for the year ended 31 December 2021, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on 17 May 2022 (Tuesday) for registration.

AUDIT COMMITTEE

The Company had established the audit committee (the "**Audit Committee**") with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and risk management and internal control systems of the Company, make recommendations to the Board on the appointment, reappointment and removal of the independent auditors, and review the Company's financial information.

The Audit Committee comprises three members, all being independent non-executive Directors, namely Mr. Ng Jack Ho Wan (chairman of the Audit Committee), Mr. Choi Hon Ting Derek and Mr. Wan Chi Wai Anthony. It has reviewed with the management the accounting principles and practices adopted by the Group and discussed the auditing, risk management, internal control and financial reporting matters, including review of the audited consolidated financial statements of the Group for the year ended 31 December 2021.

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

Hong Kong, 18 March 2022

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.

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