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Acme International Holdings Limited

益美國際控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1870)

(1) RESIGNATION OF DIRECTOR (2) CHANGES IN COMPOSITION OF BOARD COMMITTEES AND (3) APPOINTMENT OF CHIEF EXECUTIVE OFFICER

The Board would like to announce that with effect from 30 December 2021:

- (1) Mr. Tse has resigned as an independent non-executive Director, the chairman of the Nomination Committee, a member of the Audit Committee, and a member of the Remuneration Committee;
- (2) Prof. Lau has been appointed as the chairman of the Nomination Committee;
- (3) Mr. Chin has been appointed as a member of the Audit Committee, and a member of the Remuneration Committee; and
- (4) Mr. Kwan has been appointed as the CEO.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND CHANGE IN COMPOSITION OF BOARD COMMITTEES

The board (the “**Board**”) of directors (the “**Directors**” and each a “**Director**”) of Acme International Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) hereby announces that Mr. Tse Wai Kit (“**Mr. Tse**”) has resigned as an independent non-executive Director, the chairman of the nomination committee (the “**Nomination Committee**”) of the Company, a member of the audit committee (the “**Audit Committee**”) of the Company, and a member of the remuneration committee (the “**Remuneration Committee**”) of the Company with effect from 30 December 2021, due to his other business commitments.

The Board is pleased to announce that (i) Professor Lau Chi Pang, J.P. (“**Prof. Lau**”), an independent non-executive Director, has been appointed as the chairman of the Nomination Committee; and (ii) Mr. Chin Wai Keung Richard (“**Mr. Chin**”), an independent non-executive Director, has been appointed as a member of the Audit Committee and a member of Remuneration Committee in place of Mr. Tse, with effect from 30 December 2021.

Mr. Tse has confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought to the attention of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and/or the shareholders of the Company.

The Board would like to take this opportunity to express its sincere gratitude and appreciation to Mr. Tse for his valuable contributions to the Company over the past years.

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

The Board announces that Mr. Kwan Kam Tim (“**Mr. Kwan**”) has been appointed as the chief executive officer (“**CEO**”) of the Company with effect from 30 December 2021.

Mr. Kwan Kam Tim, aged 67, is the chairman of the Board (“**Chairman**”) and was appointed as a Director on 19 February 2019 and was re-designated as an executive Director on 14 March 2019. He is one of the founding shareholders of the Group and is primarily responsible for formulating overall business strategies of the Group and overseeing the Board. Mr. Kwan is currently an executive Director and the Chairman, a member of the Nomination Committee, a member of the Remuneration Committee and a director of several subsidiaries of the Company. Mr. Kwan beneficially owns 195,000,000 Shares, representing approximately 31.25% of the total issued share capital of the Company, through his interest in RR (BVI) Limited. Mr. Kwan has over 39 years of experience in the construction industry in Hong Kong. Mr. Kwan obtained a certificate in mechanical engineering craft in July 1973 and a general certificate for the General Course in the preparation for admission to Technical Courses in July 1974 from The Morrison Hill Technical Institute.

Mr. Kwan will be entitled to an annual emolument (inclusive of salaries, director fees and other benefits) of HK\$2,154,000 as an executive Director, CEO and/or holding other positions with the Company or other members of the Group for the year ending 31 December 2021. The remuneration of Mr. Kwan would be determined by the Board with reference to the prevailing market rate. Moreover, Mr. Kwan is entitled to a year-end discretionary bonus determined at absolute discretion by the Company having regard to the performance of the Company and the market situation. There is no service agreement in relation to Mr. Kwan’s appointment as the CEO, and he will not be entitled to receive additional remuneration for his appointment as CEO.

Save as disclosed above, as at the date of this announcement, Mr. Kwan (i) does not have any other interest in the shares (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)); (ii) does not hold any other positions in the Company or its subsidiaries; (iii) does not have any other relationship with any Directors, senior management, substantial or controlling shareholders of the Company; and (iv) has not held any directorship in any listed public

companies in Hong Kong or overseas in the last three years. Save as disclosed above, there is no other information to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules on the Stock Exchange nor are there other matters that need to be brought to the attention of the shareholders of the Company in relation to the appointment of Mr. Kwan.

COMPLIANCE WITH THE CG CODE

Code Provision A.2.1 of the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) set out in Appendix 14 to the Listing Rules states that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Notwithstanding the deviation from Code Provision A.2.1 of the CG Code, given that the Company has set out clearly in writing the respective responsibilities for the Chairman and the CEO, and Mr. Kwan, being the CEO, is familiar with and has superior knowledge and experience of the Group’s business, therefore, the Board considers that vesting the roles of both Chairman of the Board and CEO in the same person has the benefit of ensuring consistent leadership with the Group and enables more effective and efficient overall strategic planning for the Group. The Board believes that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and efficiently. The Board shall nevertheless review the structure from time to time and it will consider the appropriate move to take should suitable circumstance arise.

By Order of the Board
Acme International Holdings Limited
Kwan Kam Tim
Chairman and Executive Director

Hong Kong, 30 December 2021

As at the date of this announcement, the Board comprises seven members, of which Mr. Kwan Kam Tim, Mr. Yip Wing Shing, Mr. Gao Shufang and Ms. Leung Ng Mui May are the executive Directors; and Prof. Lau Chi Pang, J.P., Mr. Chin Wai Keung Richard and Prof. Mo Lai Lan are the independent non-executive Directors.