

Unless otherwise defined herein, capitalised terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus dated 29 December 2016 (the “Prospectus”) issued by HM International Holdings Limited (the “Company”).

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This announcement is for information purposes only and does not constitute an offer or an invitation to acquire, purchase or subscribe for the Shares or other securities of the Company. Potential investors should read the Prospectus carefully for detailed information about the Company and the Placing described below before deciding whether or not to invest in the Placing Shares thereby being offered.



HeterMedia
HM International Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

**LISTING ON THE GROWTH ENTERPRISE MARKET OF
THE STOCK EXCHANGE OF HONG KONG LIMITED
BY WAY OF PLACING**

Number of Placing Shares : 100,000,000 Placing Shares
**Placing Price : HK\$0.6 per Placing Share (excluding
brokerage of 1%, SFC transaction levy of
0.0027% and Stock Exchange trading fee
of 0.005%)**
Nominal value : HK\$0.01 per Share
Stock code : 8416

Sponsor



大有融資有限公司
MESSIS CAPITAL LIMITED

Joint Bookrunners and Joint Lead Managers



ANNOUNCEMENT OF PLACING PRICE AND ALLOTMENT RESULTS

SUMMARY

- The Placing Price has been determined at HK\$0.6 per Placing Share (excluding brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).
- Based on the Placing Price of HK\$0.6 per Placing Share and 100,000,000 Shares offered by the Company under the Placing, the net proceeds from the issue of the Shares under the Placing to be received by the Company, after deducting the underwriting commission and other related expenses in relation to the Placing, are estimated to be approximately HK\$40.9 million. The Company intends to apply such net proceeds in accordance with the purposes set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.
- Applications pursuant to the Placing for a total of 529,395,000 Shares were received, representing approximately 5 times of the total number of 100,000,000 Placing Shares available for subscription under the Placing.
- The 100,000,000 Placing Shares offered under the Placing have been oversubscribed.
- A total of 100,000,000 Shares have been conditionally allocated to a total of 127 selected professional, institutional and other investors. A total of 70 placees have been allotted one board lot of Placing Shares, representing approximately 55.12% of the total number of placees under the Placing. These placees have been allocated a total of 350,000 Shares, representing approximately 0.35% of the total number of Placing Shares.
- The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing and their respective ultimate beneficial owners are independent of and not connected with the Company and any of the Directors, chief executives, Controlling Shareholders, Substantial Shareholders or significant shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries or their respective close associates (as defined under the GEM Listing Rules) and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Shares subscribed by the placees has been financed directly or indirectly by any of the Directors, chief executives, Controlling Shareholders, Substantial Shareholders or significant shareholders of the Company or any of its subsidiaries or their respective close associates, and none of the placees is accustomed to taking instructions from any of the Directors, chief executives, Controlling Shareholders, Substantial Shareholders or significant shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it. No placee will, individually, be placed with more than 10% of the enlarged issued share capital of the Company immediately after completion of the

Placing and the Capitalisation Issue. The Directors also confirm that there will not be any new Substantial Shareholders immediately after completion of the Placing and the Capitalisation Issue.

- The Directors confirm that, immediately after completion of the Placing and the Capitalisation Issue, the Company will comply with Rule 11.23(7) of the GEM Listing Rules that the public float of the Company will be at least 25% of the enlarged issued share capital of the Company, and not more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders as required under Rule 11.23(8) of the GEM Listing Rules.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Wednesday, 11 January 2017. The Shares will be traded in board lots of 5,000 Shares each. The stock code of the Shares is 8416.
- **Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

PLACING PRICE AND USE OF NET PROCEEDS FROM THE PLACING

On Friday, 30 December 2016, the Placing Price has been determined at HK\$0.6 per Placing Share (excluding brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

Based on the Placing Price of HK\$0.6 per Placing Share and 100,000,000 Shares offered by the Company under the Placing, the net proceeds from the issue of the Shares under the Placing to be received by the Company, after deducting the underwriting commission and other related expenses in relation to the Placing, are estimated to be approximately HK\$40.9 million. The Company intends to apply such net proceeds in accordance with the purposes set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus. The Company intends to apply the net proceeds of the Placing for the purposes and in the amounts as set out below:

- (a) approximately HK\$17.9 million, representing approximately 43.7% of the net proceeds from the Placing, will be used for setting up the New Office and improving the facilities in the Infinitus Plaza Office;
- (b) approximately HK\$15.3 million, representing approximately 37.5% of the net proceeds from the Placing, will be used for enhancing the IT systems and infrastructures of the Group;
- (c) approximately HK\$3.9 million, representing approximately 9.5% of the net proceeds from the Placing, will be used for enhancing the workforce of the Group; and

- (d) approximately HK\$3.8 million, representing approximately 9.3% of the net proceeds from the Placing, will be used as general working capital of the Group.

LEVEL OF INDICATIONS OF INTERESTS UNDER THE PLACING

Applications pursuant to the Placing for a total of 529,395,000 Shares were received, representing approximately 5 times of the total number of 100,000,000 Placing Shares available for subscription under the Placing.

The 100,000,000 Placing Shares offered under the Placing have been oversubscribed.

A total of 100,000,000 Shares have been conditionally allocated to a total of 127 selected professional, institutional and other investors. A total of 70 placees have been allotted one board lot of Placing Shares, representing approximately 55.12% of the total number of placees under the Placing. These placees have been allocated a total of 350,000 Shares, representing approximately 0.35% of the total number of Placing Shares.

RESULTS OF ALLOCATION UNDER THE PLACING

Pursuant to the Placing, a total of 100,000,000 Shares have been conditionally allocated to a total of 127 selected professional, institutional and other investors. The distribution of the Placing Shares is set forth as below:

	Aggregate number of Placing Shares allocated	Approximate percentage of the total number of Placing Shares allocated	Approximate percentage of shareholding to the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing
Top placee	13,000,000	13.00%	3.25%
Top 5 placees	48,665,000	48.67%	12.17%
Top 10 placees	73,660,000	73.66%	18.42%
Top 25 placees	94,070,000	94.07%	23.52%

Number of Placing Shares allocated	Number of places
5,000 to 100,000	76
105,000 to 500,000	31
505,000 to 1,000,000	4
1,005,000 to 3,000,000	5
3,005,000 to 10,000,000	9
10,005,000 to 20,000,000	2
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Total	<u><u>127</u></u>

The Directors confirm that, to the best of their knowledge and belief, all places under the Placing and their respective ultimate beneficial owners are independent of and not connected with the Company and any of the Directors, chief executives, Controlling Shareholders, Substantial Shareholders or significant shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries or their respective close associates (as defined under the GEM Listing Rules) and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Shares subscribed by the places has been financed directly or indirectly by any of the Directors, chief executives, Controlling Shareholders, Substantial Shareholders or significant shareholders of the Company or any of its subsidiaries or their respective close associates, and none of the places is accustomed to taking instructions from any of the Directors, chief executives, Controlling Shareholders, Substantial Shareholders or significant shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it. No placee will, individually, be placed with more than 10% of the enlarged issued share capital of the Company immediately after completion of the Placing and the Capitalisation Issue. The Directors also confirm that there will not be any new Substantial Shareholders immediately after completion of the Placing and the Capitalisation Issue.

Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of at least 25% of its total issued share capital at the time of the Listing and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50% of the Shares in public hands at the time of the Listing shall be owned by the three largest public Shareholders. The Directors confirmed that immediately after completion of the Capitalisation Issue and the Placing, the Company will comply with the public float requirements under Rule 11.23(7) and Rule 11.23(8) of

the GEM Listing Rules that the public float of the Company will be at least 25% of the enlarged issued share capital of the Company, and not more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM and the compliance by the Company with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date (i.e. Wednesday, 11 January 2017) or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made for the Shares to be admitted into CCASS.

No receipt will be issued for any application monies paid. The Company will not issue any temporary documents of title.

The share certificates issued in respect of the Placing Shares are expected to be deposited into CCASS on Tuesday, 10 January 2017 for credit to the relevant CCASS Participants' stock accounts or CCASS Investor Participants' stock accounts designated by the Underwriters, the placees or their respective agents (as the case may be).

Prospective investors of the Placing Shares should note that the Joint Lead Managers (for themselves and on behalf of the other Underwriters) is entitled to terminate the Underwriting Agreement with immediate effect at their absolute discretion by giving notice in writing to the Company upon the occurrence of any of the events set forth under the paragraph headed "Grounds for termination" in the section headed "Underwriting" in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (i.e. Wednesday, 11 January 2017). In the event that the Underwriting Agreement does not become unconditional or is terminated in accordance with its terms and conditions, all money received will be refunded to the applicants under the Placing without interests, the Stock Exchange will be notified immediately, and an announcement in respect of the lapse of the Placing will be published by the Company on the website of the Stock Exchange at *www.hkexnews.hk* and the Company's website at *www.hetermedia.com* accordingly.

All share certificates for the Placing Shares will only become valid documents of title when the Placing has become unconditional in all respects and the Underwriting Agreement has not been terminated in accordance with its terms prior to 8:00 a.m. on the Listing Date.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Wednesday, 11 January 2017. If there is any change to the expected timetable, an announcement will be published immediately by the Company on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.hetermedia.com. The Shares will be traded in board lots of 5,000 Shares each. The stock code of the Shares is 8416.

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

Hong Kong, 10 January 2017

As at the date of this announcement, the executive Directors are Mr. Yu Chi Ming, Mr. Tse Kam Wing Walter and Mr. Chan Wai Lin, and the independent non-executive Directors are Mr. Ng Jack Ho Wan, Mr. Choi Hon Ting Derek and Mr. Wan Chi Wai Anthony.

This announcement, for which the Directors 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, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement and a copy of the Prospectus will remain on the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement and a copy of the Prospectus will also be published on the Company's website at www.hetermedia.com.