
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Acme International Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

**PROPOSALS FOR
DECLARATION OF FINAL DIVIDEND;
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
EXTENSION OF GENERAL MANDATE TO ISSUE SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Acme International Holdings Limited to be held at United Conference Centre, 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 29 May 2020 at 10:30 a.m. is set out on pages 14 to 17 of this circular. A form of proxy for use at the AGM is enclosed with this circular. Such form of proxy is also published on the respective websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.acmehld.com). Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for the holding of the AGM (i.e. not later than 10:30 a.m. on Wednesday, 27 May 2020) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please refer to page 18 of this circular for measures being taken to try to prevent and control the spread of the Coronavirus Disease 2019 (COVID-19) at the Annual General Meeting, including:

- (1) compulsory body temperature checks and health declarations
- (2) compulsory wearing of a surgical face mask for each attendee
- (3) no distribution of gift and no refreshment

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at United Conference Centre, 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 29 May 2020 at 10:30 a.m. or any adjournment thereof, a notice of which is set out on pages 14 to 17 of this circular
“Articles” or “Articles of Association”	the articles of association of the Company conditionally adopted on 18 October 2019, as amended, supplemented or otherwise modified from time to time
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Capitalisation Issue”	has the meaning as defined in the Prospectus
“Cayman Islands Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, consolidated or otherwise modified from time to time
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Company”	Acme International Holdings Limited, an exempted company with limited liability incorporated in the Cayman Islands, the shares of which are listed on the Stock Exchange on 8 November 2019 (stock code: 1870)
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Global Offering”	has the meaning as defined in the Prospectus
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars”, “HKD” or “HK\$”	Hong Kong dollars the lawful currency of Hong Kong

DEFINITIONS

“Issue Mandate”	a general unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and otherwise deal with Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant resolution at the AGM
“Latest Practicable Date”	20 April 2020 being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Date”	Friday, 8 November 2019
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
“Memorandum” or “Memorandum of association”	the amended and restated memorandum of association of the company, adopted on 18 October 2019 which will take effect from the Listing date, and as amended from time to time.
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus issued by the Company dated 25 October 2019
“Repurchase Mandate”	a general unconditional mandate proposed to be granted to the Directors to repurchase Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of the relevant resolution at the AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of nominal value of of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong, as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Kwan Kam Tim (*Chairman*)
Mr. Mak Kim Hung (*Chief Executive Officer*)
Ms. Leung Ng Mui May

Independent Non-executive Directors:

Mr. Keung Kwok Hung
Mr. Tse Wai Kit
Prof. Lau Chi Pang, *J.P.*

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

*Head Office and Principal Place of
Business in Hong Kong:*

Units A & B, 12/F
Yin Da Commercial Building
No. 181 Wai Yip Street
Kwun Tong
Kowloon
Hong Kong

28 April 2020

To the Shareholders

Dear Sirs or Madams,

**PROPOSALS FOR
DECLARATION OF FINAL DIVIDEND;
GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;
EXTENSION OF GENERAL MANDATE TO ISSUE SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of AGM and information on the resolutions to be put forward at the AGM: (i) declaration of final dividend; (ii) the grant to the Directors of the Issue Mandate, Repurchase Mandate and the extension of the Issue Mandate; and (iii) the re-election of retiring Directors.

LETTER FROM THE BOARD

DECLARATION OF FINAL DIVIDEND OUT OF THE SHARE PREMIUM ACCOUNT

The Board recommended the payment of a final dividend of HK\$0.01 per share for the year ended 31 December 2019 out of the share premium account of the Company. The payment of the aforesaid final dividend is subject to approval by the Shareholders at the forthcoming AGM of the Company and, if approved by the Shareholders, will be paid on or about 30 June 2020. Further information regarding the distribution of final dividend, including the relevant record dates, book close dates and payment date will be announced in due course.

Under section 34(2) of the Cayman Islands Companies Law, the share premium account may be applied by a company in paying dividends to members provided that no dividend may be paid to members out of the share premium account unless, immediately following the date on which the dividend is proposed to be paid, the company shall be able to pay its debts as they fall due in the ordinary course of business. The Board confirms that with respect to payment of the final dividends out of share premium account, the Company will be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which the final dividend was proposed to be paid.

The final dividends are intended to be paid out entirely of the share premium account pursuant to Article 134 of the Articles of Association and in accordance with the Cayman Islands Companies Law. As at 31 December 2019, based on the audited consolidated financial statements of the Company, the amount standing to the credit of the share premium account was approximately HK\$104.9 million. The Board proposed to use an amount of approximately HK\$5.2 million standing to the debit of the share premium account for the payment of the final dividends. Following such payment there will be a remaining balance of approximately HK\$99.7 million standing to the credit of the share premium account.

ISSUE MANDATE, REPURCHASE MANDATE AND EXTENSION OF ISSUE MANDATE

Reference is made to the Prospectus. Pursuant to the written resolutions passed by the Shareholders on 18 October 2019, the Directors were granted (a) a general unconditional mandate to allot, issue and otherwise deal with Shares not exceeding 20% of the total number of Shares in issue immediately following the completion of Capitalisation Issue and the Global Offering; (b) a general unconditional mandate to repurchase Shares not exceeding 10% of the total number of Shares in issue immediately following the completion of Capitalisation Issue and the Global Offering; and (c) the power to extend the general unconditional mandate mentioned in (a) above by an amount representing the aggregate number of Shares repurchased by the Company pursuant to the general unconditional mandate to repurchase securities referred to in (b) above (up to 10% of the total number of Shares in issue immediately following the completion of the Global Offering). The above general mandates will expire at the conclusion of the AGM. At the AGM, separate ordinary resolutions will be proposed: (a) to grant the Issue Mandate to the Directors to exercise the power of the Company to allot, issue and otherwise deal with Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of such resolution; (b) to grant the Repurchase Mandate to the Directors to repurchase Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of such resolution; and (c) conditional upon the passing of the

LETTER FROM THE BOARD

resolutions to grant the Issue Mandate and the Repurchase Mandate, to extend the Issue Mandate by an amount representing the aggregate number of Shares repurchased under the Repurchase Mandate (up to 10% of the total number of Shares in issue as at the date of passing of the resolution for approving the Repurchase Mandate). The full texts of the above resolutions are set out in resolutions numbered 5 to 7 in the notice of the AGM contained in pages 15 to 17 of this circular.

Each of the Issue Mandate and the Repurchase Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the expiration of the period within which the Company is required by any applicable laws of the Cayman Islands or the Articles of Association to hold its next annual general meeting; or (c) the time when such mandate is varied, revoked or renewed by an ordinary resolution of the Company in a general meeting.

Under Rule 10.06(1)(b) of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. The explanatory statement is set out in Appendix I to this circular.

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of six Directors, of which the executive Directors are Mr. Kwan Kam Tim, Mr. Mak Kim Hung, and Ms. Leung Ng Mui May; and the independent non-executive Directors are Mr. Keung Kwok Hung, Mr. Tse Wai Kit and Prof. Lau Chi Pang *J.P.*

In compliance with paragraph A.4.2 of the code provisions as set out in the Corporate Governance Code and Corporate Governance Report as contained in Appendix 14 to the Listing Rules, every Director should be subject to retirement by rotation at least once every three years. Furthermore, pursuant to article 84(1) of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not three or a multiple of three (3), the number nearest to but no less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Pursuant to the aforesaid provisions, two of the Directors, namely Mr. Kwan Kam Tim and Mr. Mak Kim Hung shall retire at the AGM and, being eligible, will offer themselves for re-election at the AGM. Particulars of each of the Directors proposed to be re-elected at the AGM which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules.

AGM AND PROXY ARRANGEMENT

A notice of the AGM is set out on pages 14 to 17 of this circular. A form of proxy for use at the AGM is enclosed herewith. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as

LETTER FROM THE BOARD

possible but in any event not less than 48 hours before the time fixed for the holding of the AGM (i.e. not later than 10:30 a.m. on Wednesday, 27 May 2020) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66(1) of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Shareholders' eligibility to attend and vote at the AGM to be held on Friday, 29 May 2020, the register of members of the Company will be closed from Tuesday, 26 May 2020 to Friday, 29 May 2020 (both days inclusive), during which period no transfer of shares will be registered. In order to have right to attend and vote at the meeting or any adjournment thereof, all transfers 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 not later than 4:30 p.m. on Monday, 25 May 2020.

For the purpose of determining the entitlement of final dividend, the register of members of the Company will be closed from Thursday, 4 June 2020 to Monday, 8 June 2020 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the final dividend to be approved at the meeting or any adjournment thereof, all transfers 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 not later than 4:30 p.m. on Wednesday, 3 June 2020.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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, the information contained in this circular 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 circular misleading.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Directors consider that the proposed resolutions as set out in the notice of the AGM contained in pages 14 to 17 of this circular including the proposals for (i) the declaration of final dividend; (ii) the granting of Issue Mandate, Repurchase Mandate and the extension of Issue Mandate; and (iii) the re-election of the retiring Directors are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL

Your attention is also drawn to the additional information set out in the appendices to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
By Order of the Board
Acme International Holdings Limited
益美國際控股有限公司
Kwan Kam Tim
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to the Shareholders in connection with the proposed Repurchase Mandate.

LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase shares on the Stock Exchange and any other stock exchange on which securities of such company are listed and such exchange recognised by the SFO subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 520,000,000 Shares in issue. The Repurchase Mandate will enable the Directors to repurchase the Shares up to a maximum of 10% of the aggregate number of the Shares in issue as at the date of passing of the relevant ordinary resolution at the AGM. Subject to the passing of the resolution granting the Repurchase Mandate and assuming that no further Shares will be issued or repurchased during the period from the Latest Practicable Date to the date of the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 52,000,000 Shares, being 10% of the issued Shares as at the date of the passing of the relevant resolution at the AGM. The Repurchase Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws of the Cayman Islands to be held; or (c) the passing of an ordinary resolution of the Shareholders in general meeting revoking, varying or renewing such mandate.

REASONS FOR REPURCHASES

The Directors believe that the ability to repurchase Shares is in the interests of the Company and the Shareholders. Repurchases may, depending on the circumstances, result in an increase in the net assets and/or earnings per Share. The Directors sought the grant of a general mandate to repurchase Shares to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining. Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

FUNDING OF REPURCHASE

Any repurchases must be financed out of funds legally available for the purpose in accordance with the Memorandum and the Articles and the applicable laws and regulations of the Cayman Islands.

A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange as amended from time to time. Subject to the foregoing, any repurchases by the Company may be made out of the profits of the Company, out of the share premium account of the Company or out of a fresh issue of Shares made for the purpose of the repurchase or, subject to the Cayman Islands Companies Law and the Memorandum and Articles of Association, out of capital and, in the case of any premium payable on the purchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, subject to the Cayman Islands Companies Law and the Memorandum and Articles of Association, out of capital.

EFFECT OF EXERCISING THE REPURCHASE MANDATE

The Directors consider that there might be a material adverse impact on the working capital and/or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements of the Company for the year ended 31 December 2019 in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or on the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates currently intends to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders at the AGM. No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so if the Repurchase Mandate is approved by the Shareholders at the AGM.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power to make repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association.

EFFECT OF TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors' exercising the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a mandatory offer for Shares under rule 26 of the Takeovers Code.

If the Repurchase Mandate were exercised in full, the shareholding percentage of the Shareholders, who have an interest in 5% or more of the issued share capital of the Company (based on the number of the Shares they held as at the Latest Practicable Date), before and after such repurchase would be as follows:

Shareholder	Number of Shares/ underlying shares held	Percentage of shareholding as at the Latest Practicable Date	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
RR (BVI) Limited ^(Note 1)	195,000,000	37.5%	41.6%
SV (BVI) Limited ^(Note 2)	195,000,000	37.5%	41.6%

Notes:

1. RR (BVI) Limited is the registered and beneficial owner holding 37.5% of the issued shares of the Company. The entire issued share capital of RR (BVI) Limited is wholly owned by Mr. Kwan Kam Tim. Mr. Kwan is therefore deemed to be interested in the same number of Shares held by RR (BVI) Limited.
2. SV (BVI) Limited is the registered and beneficial owner holding 37.5% of the issued shares of the Company. The entire issued share capital of SV (BVI) Limited is wholly owned by Mr. Mak Kim Hung. Mr. Mak is therefore deemed to be interested in the same number of Shares held by SV (BVI) Limited.
3. The Directors are not aware of any consequences which would give rise to an obligation to make a mandatory offer under the rules 26 and 32 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate to such an extent that the public holding of Shares would be reduced below 25% of the issued share capital of the Company.

SHARE REPURCHASE MADE BY THE COMPANY

No Shares have been purchased by the Company on the Stock Exchange in the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange since 8 November 2019, being the Listing Date, and up to the Latest Practicable Date were as follows:

	Price per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2019		
November (since the Listing Date)	3.10	0.86
December	2.90	0.53
2020		
January	0.81	0.31
February	0.54	0.30
March	0.77	0.33
April (up to the Latest Practicable Date)	0.48	0.35

The following are the particulars of the Directors (as required by the Listing Rules) being eligible and offering themselves for re-election at the AGM.

Mr. Mak Kim Hung (麥劍雄), aged 59, is the chief executive officer and was appointed as a Director on 17 August 2018 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 the overall management of day-to-day operations and business development of the Group. Mr. Mak is the sole director of SV (BVI) Limited, which is the registered and beneficial owner holding 37.5% of the issued shares of the Company.

Mr. Mak has over 33 years of experience in the construction industry in Hong Kong. Mr. Mak obtained a higher diploma in structural engineering from the Hong Kong Polytechnic (currently known as The Hong Kong Polytechnic University) in November 1983. Since 2015, Mr. Mak has been the vice president of Hong Kong Facade Association, where he has been a vice chairman of the financial auditing committee since 2015.

Mr. Mak had entered into a service contract with the Company for a term of three years commencing from the Listing Date and he is subject to retirement from office and re-election at the AGM in accordance with the Articles of Association. No director's fee will be payable to Mr. Mak but Mr. Mak is entitled to the reimbursement of all reasonable out-of-pocket expenses incurred in relation to the discharge of his duties to the Company for his appointment as executive Director, which was determined by the Board based on the recommendations of the remuneration committee of the Company, with reference to his duties and responsibilities with the Company and the market rate for his position.

So far as the Directors are aware of Mr. Mak is deemed to be interested in 195,000,000 Shares, representing 37.50% of the entire issued share capital of the Company, within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Mak is currently a director of the Company's principal operating subsidiaries, Acme Metal Works (International) Limited and Acme Gondola Systems Limited. Save as disclosed herein, Mr. Mak is not connected with any existing Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Mr. Kwan Kam Tim (關錦添), aged 65, is the chairman of the Board and was appointed as a Director on 19 February 2019 and was re-designated as an executive Director on 14 March 2020. 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 the sole director of RR (BVI) Limited, which is the registered and beneficial owner holding 37.5% of the issued shares of the Company.

Mr. Kwan has over 38 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 had entered into a service contract with the Company for a term of three years commencing from the Listing Date and he is subject to retirement from office and re-election at the AGM in accordance with the Articles of Association. No director's fee will be payable to Mr. Kwan but Mr. Kwan is entitled to the reimbursement of all reasonable out-of-pocket expenses incurred in relation to the discharge of his duties to the Company for his appointment as executive Director, which was determined by the Board based on the recommendations of the remuneration committee of the Company, with reference to his duties and responsibilities with the Company and the market rate for his position.

So far as the Directors are aware of, Mr. Kwan is deemed to be interested in 195,000,000 Shares, representing 37.50% of the entire issued share capital of the Company, within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Kwan is currently a director of the Company's principal operating subsidiaries, Acme Metal Works (International) Limited and Acme Gondola Systems Limited. Save as disclosed herein, Mr. Kwan is not connected with any existing Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed herein, Mr. Mak and Mr. Kwan have not held any directorships in other listed companies in the past three years nor have they held any other major appointments and professional qualifications. There is no information relating to Mr. Mak and Mr. Kwan that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed herein, there is no other matter in relation to the re-election of Mr. Mak and Mr. Kwan that needs to be brought to the attention of the Shareholders and the Stock Exchange.

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Acme International Holdings Limited (the “**Company**”) will be held at United Conference Centre, 10th Floor, United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 29 May 2020 at 10:30 a.m. for the following purposes:

As ordinary business:

1. To receive, consider and adopt the audited consolidated financial statements together with the directors’ report and the independent auditor’s report of the Company and its subsidiaries for the year ended 31 December 2019.
2. To declare a final dividend of HK\$0.01 per ordinary share of the Company for the year ended 31 December 2019 out of the share premium account of the Company.
3. (a) To re-elect, each as a separate resolution, the following retiring directors of the Company (each a “**Director**”, together with all other directors of the Company, the “**Directors**”):
 - (i) Mr. Kwan Kam Tim as an executive Director; and
 - (ii) Mr. Mak Kim Hung as an executive Director.
- (b) To authorise the board of directors (the “**Board**”) to fix the remuneration of the Directors.
4. To re-appoint Pricewaterhousecoopers as auditor of the Company and to authorise the Board to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

To consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

5. **“THAT:**

- (a) subject to sub-paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and otherwise deal with any additional shares of the Company (the **“Shares”**) and to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into Shares) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into Shares) which might require the exercise of such power after the end of the Relevant Period (as hereinafter defined);
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in sub-paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of options which may be granted under any share option scheme or under any option scheme or similar arrangement for the time being adopted for the grant or issue to Directors, officers and/or employees of the Company and/or any of its subsidiaries or any other person of Shares or rights to acquire Shares; or (iii) any scrip dividend scheme or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed 20% of the total number of Shares in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the Company is required by any applicable laws of the Cayman Islands or its articles of association to hold its next annual general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

(iii) the time when such mandate is varied, revoked or renewed by an ordinary resolution of the Company in a general meeting.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities of the Company giving rights to subscribe for Shares, open for a period fixed by the Directors to holders of Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

6. “**THAT:**

- (a) subject to sub-paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of the shares of the Company which may be purchased by the Company pursuant to the approval in sub-paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the Company is required by any applicable laws of the Cayman Islands or its articles of association to hold its next annual general meeting; and
- (iii) the time when such mandate is varied, revoked or renewed by an ordinary resolution of the Company in a general meeting.”

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7. “**THAT** conditional upon resolutions numbered 5 and 6 above being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with shares of the Company pursuant to resolution numbered 5 above be and is hereby extended by the addition to the aggregate number of the shares of the Company which may be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate number of the shares of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 6 above, provided that such amount shall not exceed 10% of the aggregate number of the Shares in issue at the date of passing of this resolution.”

By Order of the Board
Acme International Holdings Limited
益美國際控股有限公司
Kwan Kam Tim
Chairman

Hong Kong, 28 April 2020

As at the date of this notice, the Board comprises six members, of which Mr. Kwan Kam Tim, Mr. Mak Kim Hung and Ms. Leung Ng Mui May are the executive Directors of the Company; and Mr. Keung Kwok Hung, Mr. Tse Wai Kit and Prof. Lau Chi Pang, J.P. are the independent non-executive Directors of the Company.

Notes:

1. A shareholder entitled to attend and vote at the meeting or any adjournment thereof is entitled to appoint another person as his/her proxy to attend and vote for him/her. A shareholder who is the holder of two or more shares in the share capital of the Company may appoint more than one proxy. A proxy need not be a shareholder of the Company.
2. To be valid the proxy form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, 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 not less than 48 hours before the time fixed for holding the meeting or any adjournment thereof.
3. Delivery of proxy form shall not preclude a shareholder from attending and voting in person at the meeting or any adjournment thereof and in such event, the proxy form shall be deemed to be annulled.
4. The register of members of the Company will be closed from Tuesday, 26 May 2020 to Friday, 29 May 2020 (both days inclusive), during which period no transfer of shares will be registered. In order to have right to attend and vote at the meeting or any adjournment thereof, all transfers 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 not later than 4:30 p.m. on Monday, 25 May 2020.
5. The register of members of the Company will be closed from Thursday, 4 June 2020 to Monday, 8 June 2020 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the final dividend to be approved at the meeting or any adjournment thereof, all transfers 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 not later than 4:30 p.m. on Wednesday, 3 June 2020.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

The health of our shareholders, staff and stakeholders is of paramount importance to us. In view of the spreading of the Coronavirus Disease 2019 (COVID-19) pandemic, the Company will implement the following precautionary measures at the Annual General Meeting to safeguard the health and safety of attending shareholders, staff and stakeholders from the risk of infection:

- (1) Compulsory body temperature checks will be conducted for every shareholder, proxy or other attendee at the entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius will be denied entry into the meeting venue or be required to leave the meeting venue. Every attendee will be required to submit a Completed Health Declaration Form prior to entry into the Annual General Meeting venue.
- (2) Every attendee will be required to wear a surgical face mask throughout the Annual General Meeting and sit at a safe distance from other attendees. Please note that no masks will be provided at the Annual General Meeting venue and attendees should bring and wear their own masks.
- (3) There will be no gift and no refreshment will be served.
- (4) Any attendee has any flu-like symptoms or subject to any Hong Kong Government prescribed quarantine or has close contact with any person under quarantine will be denied entry into the meeting venue.

In addition, the Company reminds all Shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the form of proxy. The form of proxy for use at the Annual General Meeting is enclosed and can also be downloaded from the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.acmehld.com).