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If you have sold or transferred all your shares in **Sandmartin 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 or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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Sandmartin International Holdings Limited

聖馬丁國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 482)

**PROPOSED GENERAL MANDATES TO REPURCHASE SHARES
AND ISSUE NEW SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at Industrial Zone No. 3, No. 16 Qianjin Erlu, Xin Qian Jin Village, Tanzhou Town, Zhongshan, Guangdong Province, the People's Republic of China on Wednesday, 12 June 2019 at 3:00 p.m. is set out on pages 14 to 17 of this circular.

Whether or not you are able to attend the AGM, please complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable, but in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). 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 (as the case may be), should you so wish.

* For identification purpose only

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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 Industrial Zone No. 3, No. 16 Qianjin Erlu, Xin Qian Jin Village, Tanzhou Town, Zhongshan, Guangdong Province, the People’s Republic of China on Wednesday, 12 June 2019 at 3:00 p.m. or where the context so admits, any adjournment thereof
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	board of Directors
“Bye-laws”	the Bye-Laws of the Company, as may be amended from time to time
“Company”	Sandmartin International Holdings Limited, a company incorporated in Bermuda with limited liability and the securities of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company for the time being
“Extension Mandate”	a general mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to extend the Issue Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general mandate proposed to be granted to the Directors to enable them to exercise all the powers of the Company to allot, issue or otherwise deal with new Shares as defined in the section headed “General Mandate to Issue Shares”
“Latest Practicable Date”	17 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange where is in force from time to time

DEFINITIONS

“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to enable them to repurchase Shares as defined in the section headed “General Mandate to Repurchase Shares”
“SFO”	the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Share Option Scheme”	the share option scheme approved by the written resolutions passed by the Shareholders on 17 March 2005
“Shareholder(s)”	holder(s) of the Shares in the register of members of the Company as from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers as amended from time to time
“%”	per cent.



Sandmartin International Holdings Limited

聖馬丁國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 482)

Executive Directors:

Mr. Hung Tsung Chin

Mr. Chen Wei Chun (*Chief Financial Officer*)

Non-Executive Director:

Mr. Kuo Jen Hao

Independent Non-Executive Directors:

Mr. Lau Yau Cheung (*Chairman*)

Mr. Li Chak Hung

Mr. Wu Chia Ming

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

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

Units 04-05 16/F

Nam Wo Hong Building

148 Wing Lok Street

Sheung Wan

Hong Kong

24 April 2019

To the Shareholders

Dear Sirs

**PROPOSED GENERAL MANDATES TO REPURCHASE SHARES
AND ISSUE NEW SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with the notice of AGM and the information regarding the following resolutions to be proposed at the AGM to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions.

Resolutions to be proposed at the AGM include, inter alia, (i) the grant of each of the Repurchase Mandate, the Issue Mandate and the Extension Mandate; and (ii) the re-election of Directors who are due to retire/retire by rotation at the AGM.

* For identification purpose only

LETTER FROM THE BOARD

2. GENERAL MANDATE TO REPURCHASE SHARES

As at the Latest Practicable Date, there were 3,278,825,335 Shares in issue. At the AGM, an ordinary resolution will be proposed to grant to the Directors the Repurchase Mandate to repurchase Shares of up to an aggregate of not exceeding 10% of the total number of issued Shares as at the date of passing of the relevant resolution at the AGM (i.e. of not exceeding 327,882,533 Shares assuming no further Shares will be issued or repurchased between the Latest Practicable Date and the date of the AGM).

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the proposed Repurchase Mandate is set out in Appendix I to this circular.

3. GENERAL MANDATE TO ISSUE SHARES

As at the Latest Practicable Date, there were 3,278,825,335 Shares in issue. At the AGM, an ordinary resolution will be proposed to grant to the Directors the Issue Mandate to allot, issue and deal with Shares of up to an aggregate of not exceeding 20% of the total number of issued Shares as at the date of passing of the relevant resolution at the AGM (i.e. of not exceeding 655,765,067 Shares assuming no further Shares will be issued or repurchased between the Latest Practicable Date and the date of the AGM).

Subject to the passing of the aforesaid ordinary resolutions of the Repurchase Mandate and the Issue Mandate, an ordinary resolution will also be proposed to authorise the Directors the Extension Mandate to increase the total number of Shares which may be allotted and issued under the Issue Mandate by an additional number representing such number of Shares which may be repurchased under the Repurchase Mandate.

4. RE-ELECTION OF RETIRING DIRECTORS

Retirement and re-election of Directors

Pursuant to the Bye-laws 87(1) and 87(2), Mr. Li Chak Hung (“**Mr. Li**”) and Mr. Wu Chia Ming (“**Mr. Wu**”) shall retire by rotation. Being eligible, all of the aforesaid retiring Directors offer themselves for re-election at the AGM.

Recommendations to the Board for the proposal for re-election of each of Mr. Li and Mr. Wu as an independent non-executive Director were made by the nomination committee of the Company (“**Nomination Committee**”) after having considered a range of diversity perspectives including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge, as set out in the board diversity policy of the Company which was adopted by the Company on 1 June 2018 (the “**Board Diversity Policy**”).

The Board is of the view that Mr. Li and Mr. Wu are independent having regard to (i) their respective annual confirmations on independence as required under rule 3.13 of the Listing Rules; (ii) the absence of involvement in the daily management of the

LETTER FROM THE BOARD

Company; and (iii) the absence of any relationships or circumstances which will interfere with the exercise of their independent judgements. Hence, the Board believes that they are still independent in accordance with rule 3.13 of the Listing Rules.

Having evaluated their performance, the Board is of the view that they have provided valuable contributions to the Company and have demonstrated their abilities to provide independent, balanced and objective view to the Company's affairs. Accordingly, the Board believes that they should be re-elected at the AGM.

The biographical details of all the retiring Directors are set out in Appendix II to this circular as required to be disclosed under the Listing Rules.

Recommendations of the Nomination Committee

During the meeting held on 21 March 2019, the Nomination Committee, comprising all independent non-executive Directors, had assessed and reviewed the written confirmation of independence of each of the independent non-executive Directors who have offered themselves for re-election at the AGM, namely Mr. Li and Mr. Wu, based on the independence criteria as set out in rule 3.13 of the Listing Rules and are satisfied that all of them remain independent in accordance with rule 3.13 of the Listing Rules.

Based on the Board Diversity Policy, the Nomination Committee considers that Mr. Li and Mr. Wu would bring to the Board their own perspective, skills and experience which in turn they can contribute to the diversity of the Board, in particular, with their strong and diversified educational background and professional experience in their expertise, including their in-depth knowledge in accounting, auditing, taxation, financial management, financial analysis and fund management.

On the one hand, Mr. Li is a practicing Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a fellow of The Taxation Institute of Hong Kong. He has extensive experience in financial management and financial reporting matters of Hong Kong listed companies, and has a deep understanding of the Listing Rules and relevant laws and regulations applicable to Hong Kong listed companies. On the other hand, Mr. Wu has nearly 24 years of experience in financial analysis and fund management. Therefore, as recommended by the Nomination Committee, the Board recommends the Shareholders to vote for their re-election as independent non-executive Directors at the AGM.

5. NOTICE OF AGM

A notice convening the AGM is set out on pages 14 to 17 of this circular. Resolutions in respect of the Repurchase Mandate, the Issue Mandate, the Extension Mandate and the re-election of the retiring Directors will be proposed at the AGM. As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquires, no Shareholder is required to abstain from voting on any resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

6. VOTING BY POLL

Pursuant to rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The chairman of the AGM shall therefore demand that voting on all resolutions set out in the notice of AGM be taken by way of poll pursuant to Bye-law 66.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for each Share registered in his/her name in the register of members. A Shareholder entitled to more than one vote need not use all his/her votes or cast all the votes he/she uses in the same way.

7. FORM OF PROXY

A form of proxy for use by the Shareholders at the AGM is enclosed. Such form of proxy is also published on the Company's website at www.sandmartin.com.hk and the Stock Exchange's website at www.hkexnews.hk. Whether or not you are able to attend the AGM, please complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as practicable but in any event no less than 48 hours before the time appointed for holding the AGM 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 (as the case may be), should you so wish.

8. 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 Group. 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.

9. RECOMMENDATIONS

The Directors are of the opinion that the proposed ordinary resolutions for the granting of the Repurchase Mandate, the Issue Mandate, the Extension Mandate and the re-election of retiring Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders vote in favour of the relevant resolutions as set out in the AGM.

LETTER FROM THE BOARD

10. GENERAL

Your attention is also drawn to the additional information set out in Appendix I (Explanation Statement of the Repurchase Mandate) and Appendix II (Details of the retiring Directors proposed for re-election at the AGM) to this circular.

Yours faithfully
For and on behalf of the Board
Sandmartin International Holdings Limited
Lau Yau Cheung
Chairman

This appendix includes an explanatory statement required by rule 10.06(1)(b) of the Listing Rules to be presented to the Shareholders in connection with the Repurchase Mandate proposed to be granted to the Directors.

1. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the total number of Shares in issue was 3,278,825,335 Shares and there were outstanding share options to subscribe for 2,910,000 Shares under the Share Option Scheme.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that none of the share options of the Company is exercised pursuant to the Share Option Scheme and no further Shares are issued or repurchased prior to the AGM, the Company would be allowed, under the Repurchase Mandate, to repurchase a maximum of 327,882,533 Shares (representing 10% of the total number of issued Shares) during the period from the date of the AGM up to:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; or
- (iii) the revocation or variation of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting of the Company,

whichever occurs first.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders to seek a general authority from the Shareholders to enable the Directors to repurchase Shares in the market.

Repurchases may, depending on market conditions and funding arrangements at the time, result in an enhancement of the net asset value and/or earnings per Share. The Directors are seeking the grant of the Repurchase Mandate to give the Company the flexibility to repurchase Shares if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which they are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then prevailing. Repurchase of Shares will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders.

3. FUNDING OF REPURCHASES

Pursuant to the Repurchase Mandate, repurchases will be made out of funds which are legally available for such purpose in accordance with all applicable laws of Bermuda and the memorandum of association of the Company and the Bye-laws.

Under Bermuda laws, share repurchases may only be made out of the capital paid up on the relevant shares or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purposes of the repurchase. Any amount of premium payable may only be provided for out of funds of the Company which would otherwise be available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased.

Based on the audited consolidated financial statements of the Company as at 31 December 2018 (being the date to which the latest published audited financial statements of the Company have been made up), the Directors consider that the exercise in full of the Repurchase Mandate during the proposed Repurchase Mandate period might have a material adverse impact on the working capital position or gearing position of the Company. However, the Directors do not propose to make any Share repurchases to such an extent that it would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels, which in the opinion of the Directors, are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

	Price per Share	
	Highest HK\$	Lowest HK\$
2018		
April	0.159	0.050
May	0.108	0.071
June	0.109	0.089
July	0.092	0.081
August	0.109	0.075
September	0.080	0.067
October	0.070	0.050
November	0.109	0.060
December	0.100	0.055
2019		
January	0.099	0.059
February	0.079	0.064
March	0.085	0.068
April (up till and including the Latest Practicable Date)	0.100	0.073

Source: the Stock Exchange

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the proposed Repurchase Mandate and in accordance with the Listing Rules, the Bye-laws and the laws of Bermuda.

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules), has any present intention, to sell any Shares to the Company under the proposed Repurchase Mandate if such is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

6. EFFECT OF THE TAKEOVERS CODE

A repurchase of Shares by the Company may result in an increase in a Shareholder's proportionate interest in the voting rights of the Company, which may in certain circumstances give rise to an obligation for the relevant Shareholder(s) to make a mandatory offer in accordance with rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, First Steamship Company Limited together with its associates ("**First Steamship**") were interested in an aggregate of 950,859,347 Shares, representing approximately 29% in aggregate of the total number of issued Shares.

On the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM and in the event that the Directors exercise in full the power to repurchase Shares pursuant to the proposed Repurchase Mandate, the interests of First Steamship in the Shares would be increased to approximately 32.22%. Accordingly, the Directors consider that such an increase would give rise to an obligation on the part of First Steamship to make a mandatory offer under rule 26 of the Takeovers Code. However, it would not reduce the number of Shares in the hands of the public to less than the minimum percentage of 25% of the total number of issued Shares.

The Directors will exercise the power conferred by the Repurchase Mandate to repurchase Shares in circumstances which they deem appropriate for the benefits of the Company and the Shareholders as a whole. The Directors do not have any present intention to exercise the Repurchase Mandate to the extent as would result in a requirement for First Steamship to make a mandatory offer under the Takeovers Code.

7. SHARE REPURCHASE MADE BY THE COMPANY

The Company has not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Particulars of the retiring Directors (as required by the Listing Rules) being proposed for re-election at the AGM are set out as follows:

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Li Chak Hung, aged 54, is an independent non-executive Director since 20 September 2016 and is currently the chairman of the audit committee of the Company and a member of each of the remuneration committee and the nomination committee of the Company. He graduated from The Chinese University of Hong Kong and holds a Bachelor's Degree of Business Administration. Mr. Li is a practicing Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a Fellow of The Taxation Institute of Hong Kong. He has over 25 years experience in accounting, auditing, taxation and financial management. Mr. Li is currently an independent non-executive director of DreamEast Group Limited (Stock Code: 593), AsiaSec Properties Limited (Stock Code: 271) and Summit Ascent Holdings Limited (Stock Code: 102), all of which are the companies whose shares are listed on main board of the Stock Exchange.

Mr. Li has entered into a letter of appointment with the Company for a term of three (3) years with effect from 1 July 2018 and may be terminated by either party by giving to the other one (1) month's prior written notice. His directorship is subject to the retirement and re-election at annual general meetings of the Company in accordance with the Bye-laws and the Listing Rules. Mr. Li is entitled to receive a Director's fee of HK\$72,000 per annum which has been increased to HK\$120,000 per annum with effect from 1 September 2018. Such increment was recommended by the remuneration committee of the Company and determined by the Board with reference to the financial performance of the Company and his time and effort spent on the Board and various committees.

Save as disclosed above, Mr. Li does not hold any position with the Company or other member of the Company's group nor has any directorship in other listed public companies in the last three years. He also does not have any relationship with any Director, member of senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, Mr. Li did not have any interests in the Shares within the meaning of Part XV of the SFO.

In addition, there is no other matter that needs to be brought to the attention of the Shareholders and there is no other information relating to Mr. Li which is required to be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Wu Chia Ming, aged 50, is an independent non-executive Director since 1 December 2014 and is currently the chairman of remuneration committee of the Company and a member of each of the audit committee and the nomination committee of the Company. He has a master's degree in business administration from the Institute of International Business, National Chen-kung University and a bachelor's degree in electronic engineering from Chung Yuan Christian University in Taiwan. Mr. Wu has nearly 24 years of experience in financial analysis and fund management. Currently, he is the chairman of Fortune-Future Investment Co., Ltd. Prior to that, Mr. Wu was a fund manager of KGI Securities Investment Trust Co., Ltd.

Mr. Wu has entered into a letter of appointment with the Company for a term of three (3) years with effect from 1 July 2018 and may be terminated by either party by giving to the other one (1) month's prior written notice. His directorship is subject to the retirement and re-election at annual general meetings of the Company in accordance with the Bye-laws and the Listing Rules. Mr. Wu is entitled to receive a Director's fee of HK\$72,000 per annum which has been increased to HK\$120,000 per annum with effect from 1 September 2018. Such increment was recommended by the remuneration committee of the Company and determined by the Board with reference to the financial performance of the Company and his time and effort spent on the Board and various committees.

Save as disclosed above, Mr. Wu does not hold any position with the Company or other member of the Company's group nor has any directorship in other listed public companies in the last three years. He also does not have any relationship with any Director, member of senior management or substantial or controlling Shareholders. As at the Latest Practicable Date, Mr. Wu did not have any interests in the Shares within the meaning of Part XV of the SFO.

In addition, there is no other matter that needs to be brought to the attention of the Shareholders and there is no other information relating to Mr. Wu which is required to be disclosed pursuant to rule 13.51(2)(h) to (v) of the Listing Rules.



Sandmartin International Holdings Limited

聖馬丁國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 482)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Sandmartin International Holdings Limited (the “**Company**”) will be held at Industrial Zone No. 3, No. 16 Qianjin Erlu, Xin Qian Jin Village, Tanzhou Town, Zhongshan, Guangdong Province, the People’s Republic of China on Wednesday, 12 June 2019 at 3:00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the audited consolidated financial statements of the Company for the year ended 31 December 2018 together with the reports of the directors and of the auditors thereon.
2. (A) To re-elect Mr. Li Chak Hung as an independent non-executive director of the Company.

(B) To re-elect Mr. Wu Chia Ming as an independent non-executive director of the Company.

(C) To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
3. To re-appoint BDO Limited as auditors of the Company and to authorise the board of directors of the Company to fix their remuneration.

AS SPECIAL BUSINESS

ORDINARY RESOLUTION

4. “**THAT:**
 - (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to purchase issued shares in the capital of the Company subject to and in accordance with all applicable laws, the Bye-Laws of the Company (the “**Bye-laws**”) and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time be and is hereby generally and unconditionally approved;

* For identification purpose only

NOTICE OF AGM

- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as defined below) to procure the Company to purchase its shares at a price determined by the Directors;
- (c) the aggregate number of shares of the Company which may be purchased by the Directors pursuant to the approval in paragraph (a) shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing this resolution and the authority shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from 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 next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company (the “**Shareholders**”) in general meeting.”

5. “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements, options (including warrants, bonds and debentures convertible into shares of the Company) and rights of exchange or conversion which might require the exercise of such powers either during or after the Relevant Period be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors during the Relevant Period pursuant to the approval granted in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as defined below), or (ii) the share option schemes of the Company approved by The Stock Exchange of Hong Kong Limited, or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws, or (iv) the exercise of rights of subscription or conversion under the terms of any securities which are convertible into shares of the Company, shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF AGM

(c) for the purposes of this resolution:

“**Relevant Period**” means the period from 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 next annual general meeting of the Company is required by applicable laws or the Bye-laws to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting; and

“**Rights Issue**” means an offer of shares or other securities of the Company open for a period fixed by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions 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 any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong).”

6. “**THAT** conditional upon the resolutions nos. 4 and 5 above being passed, the aggregate number of shares of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution no. 4 above shall be added to the aggregate number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution no. 5 above, provided that such extended number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By order of the Board
Sandmartin International Holdings Limited
Lau Yau Cheung
Chairman

Hong Kong, 24 April 2019

NOTICE OF AGM

Notes:

- 1) Any Shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a Shareholder.
- 2) In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding the meeting. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- 3) With respect to the resolution no. 2, Mr. Li Chak Hung and Mr. Wu Chia Ming will retire from office as Directors at the annual general meeting and, being eligible, offer themselves for re-election.
- 4) The transfer books and register of members will be closed from Thursday, 6 June 2019 to Wednesday, 12 June 2019 (both days inclusive) during which period no transfer of shares will be registered. In order to be eligible for attending and voting at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 5 June 2019, which is the record date and last registration date for the annual general meeting of the Company.

As at the date hereof, the Directors are:

Executive Directors

Mr. Hung Tsung Chin and Mr. Chen Wei Chun

Non-Executive Director

Mr. Kuo Jen Hao

Independent Non-Executive Directors

Mr. Lau Yau Cheung (*Chairman*), Mr. Li Chak Hung and Mr. Wu Chia Ming