

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 registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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).

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



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**

Capitalised terms used in the lower portion of the cover and the first page of this circular shall have the same respective meanings as those defined in the section headed "Definitions" of this circular.

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 Monday, 29 June 2020 at 3:00 p.m. is set out on pages 13 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.

PRECAUTIONARY MEASURES FOR THE AGM

To safeguard the health and safety of Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the AGM:

- (1) Compulsory temperature screening/checks;
- (2) Wearing of surgical face mask; and
- (3) No drinks, refreshments or souvenirs will be provided.

Attendees who do not comply with the precautionary measures referred to in (1) and (2) above may be denied entry to the AGM venue, at the absolute discretion of the Company as permitted by law.

For the health and safety of Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy and to return their proxy forms by the time specified above, instead of attending the AGM in person.

* For identification purpose only

CONTENTS

	<i>Page</i>
Precautionary Measures for the AGM	1
Definitions	2
Letter from the Board	4
Appendix I — Explanatory Statement of the Repurchase Mandate	8
Appendix II — Details of the retiring Directors proposed for re-election at the AGM	11
Notice of AGM	13

PRECAUTIONARY MEASURES FOR THE AGM

In view of the ongoing novel coronavirus (“**COVID-19**”) epidemic and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the AGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) The venue of AGM is located in Zhongshan, Guangdong Province, the PRC. Shareholders attending the AGM shall pay early attention to and comply with the relevant regulations and requirements regarding health report, quarantine and observation during the epidemic prevention and control period in Zhongshan. The Company will strictly comply with the requirements regarding the epidemic prevention and control stipulated by government departments, and take relevant prevention and control measures including monitoring the temperatures of Shareholders attending the AGM under the guidance and supervision of relevant government departments.
- (ii) The Company will take the temperature of the attendees and refuse entry of those with a high temperature or is exhibiting flu-like symptoms.
- (iii) Alcohol rubs/hand sanitiser will be provided.
- (iv) Attendees must wear surgical face masks and those not wearing will not be allowed to attend the AGM.
- (v) No drinks, refreshments or souvenirs will be provided.
- (vi) If the number of Shareholders attending the AGM reaches the maximum amount stipulated by the relevant government departments at the date of the AGM in accordance with the regulations and requirements regarding the epidemic prevention and control, Shareholders shall be admitted on a “first-come-first-served” basis, and Shareholders subsequently arriving may not be able to enter the AGM venue.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.

In the interest of all stakeholders’ health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights.

As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person. If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

If Shareholders have any questions relating to the AGM, please contact Computershare Hong Kong Investor Services Limited, the Company’s Hong Kong Branch Share Registrar as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre,
183 Queen’s Road East,
Wanchai, Hong Kong

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 Monday, 29 June 2020 at 3:00 p.m. or where the context so admits, any adjournment thereof;
“Board”	board of Directors;
“Bye-laws”	the bye-laws of the Company, as may be amended from time to time;
“close associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Company”	Sandmartin International Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange;
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company for the time being;
“Extension Mandate”	a general mandate proposed to be granted to the Directors at the AGM 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 at the AGM 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”	4 May 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange where is in force from time to time;
“Nomination Committee”	the nomination committee of the Company;
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the AGM 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 of the Company 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 issued by Securities and Futures Commission of Hong Kong as amended from time to time;
“Year”	the year ended 31 December 2019;
“%”	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

8 May 2020

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 retiring Directors.

* 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), at each AGM of the Company, one-third of the Directors for the time being shall retire from office by rotation, provided that every Director shall be subject to retirement at an AGM at least once every three years. Mr. Hung Tsung Chin (“**Mr. Hung**”) (executive Director) and Mr. Lau Yau Cheung (“**Mr. Lau**”) (independent non-executive Director) will retire as Directors at the AGM and be eligible to offer themselves for re-election at the AGM. Mr. Hung and Mr. Lau offer themselves for re-election 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.

LETTER FROM THE BOARD

Recommendations of the Nomination Committee

During the meeting held on 31 March 2020, 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 based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that all of them, including Mr. Lau, remain independent.

The Nomination Committee of the Company has taken into account the nomination policy adopted by the Company, the Board's composition as well as various diversity aspects in the selection and nomination process for the retiring Directors. Based on the board diversity policy adopted by the Company on 1 June 2018, the Nomination Committee considers that the retiring Directors 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 business strategies corporate finance and management experience in the electronics manufacturing industry. The Nomination Committee also considered that Mr. Lau's experience, skills and other perspectives as set out in Appendix II to this circular can bring further contributions to the Board and its diversity. Therefore, with the recommendation of the Nomination Committee, the Board has proposed that all of the retiring Directors stand for re-election as Directors at the AGM.

As a good corporate governance practice, each of the retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the AGM. The Board believes that the continuous appointment of the retiring Directors contributes to the stability and diversity of the Board.

5. NOTICE OF AGM

A notice convening the AGM is set out on pages 13 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.

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.

LETTER FROM THE BOARD

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.

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.

11. MISCELLANEOUS

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

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.

4. IMPACT OF SHARE REPURCHASE

Based on the audited consolidated financial statements of the Company as at 31 December 2019 (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.

5. 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\$
2019		
April	0.100	0.073
May	0.099	0.081
June	0.098	0.079
July	0.093	0.084
August	0.095	0.081
September	0.090	0.060
October	0.077	0.060
November	0.076	0.054
December	0.086	0.054
2020		
January	0.109	0.076
February	0.091	0.070
March	0.080	0.053
April	0.060	0.051
4 May 2020	0.062	0.059

Source: the Stock Exchange

6. 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, 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 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.

7. 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.

8. 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:

EXECUTIVE DIRECTOR

Mr. Hung Tsung Chin, aged 58, is the founder of the Group, which was founded in November 1989. He was the Chairman of the Board until 18 August 2017. Mr. Hung acts as an executive Director and authorised representative of the Company. He is currently the director and chief executive officer of several subsidiaries of the Company which are engaged in the Manufacturing and Trading of Electronic Products Business Division.

Mr. Hung has over 30 years of management experience in the electronics manufacturing industry. He graduated from the National Chengchi University in Taiwan, with a bachelor's degree in business administration. Mr. Hung also completed the executives programme from the Graduate School of Business Administration, National Chengchi University.

He is the husband of Ms. Chen Mei Huei ("**Ms. Chen**"), the director of several subsidiaries of the Company and the chief executive officer of the Satellite Broadcasting Services Business Division.

Mr. Hung has entered into a service agreement with the Company for a period of three years commencing April 1, 2020 and will continue thereafter unless and until terminated by either party by three months' prior written notice. Mr. Hung's directorship is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws. Mr. Hung's remuneration has been determined by the Board was approximately HK\$1,585,000 per annum with reference to the Company's profitability, performance and the remuneration policy and guidelines adopted by the remuneration committee of the Company. As at the Latest Practicable Date, Mr. Hung was deemed to be interested in 509,516,592 Shares, representing 15.53% of the issued Shares, within the meaning of Part XV of the SFO. Among which, 507,188,592 Shares were beneficially owned by Metroasset Investments Limited (owned as to 45.09% by Mr. Hung and 44.38% by Ms. Chen) and 2,328,000 Shares were share options granted to his spouse, Ms. Chen pursuant to the Share Option Scheme.

Save as disclosed above, Mr. Hung (i) does not hold any directorship in other listed public companies in the last three years; (ii) does not have any relationship with any director, member of senior management or substantial or controlling Shareholders; and (iii) did not have any interest 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 information relating to Mr. Hung which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Lau Yau Cheung, aged 59, has been an independent non-executive Director of the Company since 7 August 2017, and was appointed as the Chairman of the Board with effect from 18 August 2017. He is currently the chairman of the Nomination Committee and a member of each of the audit committee of the Company and the remuneration committee of the Company. Mr. Lau holds a bachelor's degree in commerce from the University of Toronto in Canada. He has over 25 years of experience in business strategies and corporate finance and 7 years of experience in securities trading business. Mr. Lau has served in various senior management positions with both private and public companies in Hong Kong and overseas. From 1999 to present, he serves as the managing director of BH Capitalink Development Limited. Mr. Lau is currently an independent non-executive director of Summit Ascent Holdings Limited (Stock Code: 102).

Mr. Lau has entered into a letter of appointment with the Company for a fixed term of three years commencing 18 August 2018, subject to the retirement and re-election provisions in the Bye-laws. The Director's fee of Mr. Lau was HK\$180,000 per annum, with reference to the time and effort spent on the Board and various committees and subject to review by the Board from time to time.

Save as disclosed above, Mr. Lau (i) 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; (ii) does not have any relationship with any Director, member of senior management or substantial or controlling Shareholders; and (iii) 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. Lau 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 Monday, 29 June 2020 at 3:00 p.m. for the following purposes:

AS ORDINARY BUSINESSES

1. To consider and adopt the audited consolidated financial statements of the Company for the year ended 31 December 2019 together with the reports of the directors and of the auditors thereon.
2. (A) To re-elect Mr. Hung Tsung Chin as an executive director of the Company.
(B) To re-elect Mr. Lau Yau Cheung 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 BUSINESSES

ORDINARY RESOLUTIONS

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, 8 May 2020

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. Hung Tsung Chin and Mr. Lau Yau Cheung 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 Saturday, 20 June 2020 to Monday, 29 June 2020 (both days inclusive) during which period no transfer of shares will be registered. In order to be eligible for attending and voting at the AGM, 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 Friday, 19 June 2020, which is the record date and last registration date for the annual general meeting of the Company.

Additional notes to the AGM:

The holding of the AGM in order to comply with the Listing Rules and the Memorandum of Association and Bye-laws could potentially create a significant risk in terms of the spread of the novel coronavirus (“**COVID-19**”) pandemic because of large crowds coming together.

To reduce the risk of spreading the COVID-19 pandemic, the Company wishes to remind the Shareholders and their proxies as follows:

(A) Not later than 48 hours before the time of the AGM

Shareholders are strongly encouraged not to attend the AGM in person. Instead, they may appoint the Chairman of the AGM to attend and vote on their behalf by completing and depositing the forms of proxy enclosed with the Circular with the Company's branch share registrar 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.

(B) At the venue of the AGM

- 1) The Company will take the temperature of the attendees and refuse entry of those with a high temperature or is exhibiting flu-like symptoms.
- 2) Alcohol rubs/hand sanitiser will be provided.
- 3) Attendees must wear surgical face masks and those not wearing will not be allowed to attend the AGM.
- 4) NO drinks, refreshments or souvenirs will be provided.

NOTICE OF AGM

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