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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 or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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

A notice convening 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, China on Monday, June 12, 2017 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 special general meeting of the Company, please complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the Company's branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as practicable but in any event not later than 48 hours before the time appointed for holding the special general meeting of the Company or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the special general meeting of the Company, or any adjournment thereof, should you so wish.

April 28, 2017

* For identification purpose only

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DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions 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, China on Monday, June 12, 2017 at 3:00 p.m. or 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 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
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Issue Mandate”	a general mandate enabling Directors to issue Shares as defined in the section headed “General Mandate to Issue Shares”
“Latest Practicable Date”	April 24, 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Committee”	the listing committee of the board of directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general mandate enabling Directors 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 share capital of the Company
“Share Option Scheme”	the share option scheme approved by a written resolution passed by the Shareholders on March 17, 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 Hong Kong Code on Takeovers and Mergers

LETTER FROM THE BOARD



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 (*Chairman*)
Ms. Chen Mei Huei (*Chief Executive Officer*)
Mr. Liao Wen I
Mr. Frank Karl-Heinz Fischer
Mr. Chen Wei Chun

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Mr. Han Chien Shan
Mr. Wu Chia Ming
Mr. Li Chak Hung

Principal Place of Business

in Hong Kong:
Units 04-05, 16/F
Nam Wo Hong Building
No. 148 Wing Lok Street
Sheung Wan
Hong Kong

April 28, 2017

To the Shareholders

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES TO REPURCHASE SHARES
AND TO 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 the Notice of Annual General Meeting and the information regarding the following resolutions to be proposed at the Annual General Meeting to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions.

* *For identification purpose only*

LETTER FROM THE BOARD

The resolutions include (i) granting to the Directors the Repurchase Mandate; (ii) granting to the Directors the Issue Mandate; (iii) the extension of the Issue Mandate to include Shares repurchased pursuant to the Repurchase Mandate; and (iv) the re-election of retiring Directors.

2. GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase issued shares in the share capital of the Company subject to the criteria set out in this circular. In particular, Shareholders should note that the maximum number of shares that may be repurchased pursuant to the Repurchase Mandate will be such number which represents 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation thereof subject to the Listing Rules. The Repurchase Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law or the Bye-laws, and the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

3. GENERAL MANDATE TO ISSUE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to issue further Shares, representing up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution until the next annual general meeting.

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 to issue shares in the capital of the Company in an amount not exceeding the aggregate nominal amount of the shares in the capital of the Company purchased pursuant to the Repurchase Mandate.

LETTER FROM THE BOARD

4. RE-ELECTION OF RETIRING DIRECTORS

Pursuant to the Bye-laws 87(1) and 87(2), Mr. Hung Tsung Chin, Ms. Chen Mei Huei, Mr. Li Chak Hung and Mr. Wu Chia Ming shall retire by rotation, and being eligible, have offered themselves for re-election at the Annual General Meeting.

The Board is of the view that Mr. Li Chak Hung and Mr. Wu Chia Ming, who was appointed as Independent Non-executive Director of the Company by the Board on September 20, 2016 and December 1, 2014, respectively are independent having regard to (i) his confirmation on independence as required under the Listing Rules; (ii) the absence of involvement in the daily management of the Company; and (iii) the absence of any relationships or circumstances which would interfere with the exercise of his independent judgment.

The biographical details of all the retiring Directors is set out in Appendix II to this circular in accordance with the relevant requirements of the Listing Rules.

5. NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of the Company is set out on pages 14 to 17 of this circular. At the Annual General Meeting, in addition to the ordinary business of the meeting, resolutions will be proposed to consider and approve the granting of the Repurchase Mandate, the granting of the Issue Mandate and the re-election of the retiring Directors.

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-laws 66 of the Company.

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 Shareholders. A Shareholder entitled to more than one vote need not use all his 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 Company's branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as practicable but in any event no later than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM, or any adjournment thereof, 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 granting of the Repurchase Mandate and the Issue Mandate, the re-election of retiring Directors are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of all resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
By order of the Board
Sandmartin International Holdings Limited
Hung Tsung Chin
Chairman

The following is the explanatory statement required to be sent to Shareholders under the Listing Rules in connection with the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,311,530,134 Shares and there were outstanding options to subscribe for 2,700,000 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 Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 131,153,013 Shares, being 10% of the entire issued share capital of the Company as at the date of passing of the resolution in relation thereof. The Repurchase Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law or the Bye-laws, and the date upon which such authority is revoked or varied by ordinary resolution of the Company in general meeting.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the interests of the Company and the 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 assets 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.

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 and the Bye-laws of the Company.

Under Bermuda law, 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 December 31, 2016 (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. The Directors do not propose to make any share repurchases to the extent that it would, in the circumstances, have a material adverse impact on the working capital or gearing position of the Company 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 were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2016		
April	0.620	0.500
May	0.530	0.380
June	0.390	0.325
July	0.370	0.300
August	0.325	0.275
September	0.295	0.231
October	0.248	0.170
November	0.213	0.175
December	0.203	0.175
2017		
January	0.210	0.191
February	0.207	0.190
March	0.212	0.187
April (up to the Latest Practicable Date)	0.206	0.196

Source: The Stock Exchange of Hong Kong Limited

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 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, their associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

No other connected persons (as defined in the Listing Rules) 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. HONG KONG CODE ON TAKEOVERS AND MERGERS

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. Saved as aforesaid, the Directors are not aware at 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, Metroasset Investments Limited and Wellever Investments Limited, beneficially owned by the Directors Mr. Hung Tsung Chin and Ms. Chen Mei Huei, and Mr. Liao Wen I, together with their associates respectively, were interested in an aggregate of 202,875,437 and 3,706,812 Shares respectively, representing approximately 15.47% and 0.28% respectively of the issued Shares of the Company.

On the basis that no further Shares are issued or repurchased prior to the Annual General Meeting and in the event that the Directors exercise in full the Repurchase Mandate at the date of the Annual General Meeting, the interests of Metroasset Investments Limited and Wellever Investments Limited in the Shares of the Company would be increased to approximately 17.19%, and 0.31% respectively. Accordingly, the Directors are not aware of any consequences that would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code in the event that the Repurchase Mandate is exercised in full.

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 Annual General Meeting are set out as follows:

EXECUTIVE DIRECTORS

Mr. Hung Tsung Chin, aged 56, the husband of Ms. Chen Mei Huei, is the founder and the Chairman of the Group. Mr. Hung founded the Group in November 1989 and is responsible for the Group's overall management, strategic planning and development, and formulation of company policies and business strategy. Mr. Hung has over 27 years of management experience in the electronics manufacturing industry. Mr. Hung graduated from the National Chengchi University in Taiwan, with a bachelor's degree in business administration. He also completed the executives programme from the Graduate School of Business Administration, National Chengchi University.

Mr. Hung has entered into a service agreement with the Company for a period of three years commencing April 1, 2005 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 as an executive director has been determined by the Board was approximately HK\$1,433,987 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 had deemed interest of 202,875,437 Shares which is held by Metroasset Investments Limited and 2 Shares which is held by him individually within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Hung does not hold any directorship in other listed public companies in the last three years. Mr. Hung does not have any relationship with any director, member of senior management or substantial or controlling Shareholders.

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.

Ms. Chen Mei Huei, aged 55, the wife of Mr. Hung Tsung Chin, is a co-founder of the Group since November 1989. Ms. Chen is the Chief Executive Officer of the Group, responsible for the overall management of the Group including all overseas offices. Ms. Chen has been actively engaged in the sales and marketing development of the Group in Taiwan and the international markets for more than 27 years and has particular focus on new customers and new market development in recent years. Ms. Chen graduated from Tamkang University in Taiwan with a dual bachelor degree in Spanish Literature and International Trade.

Ms. Chen has entered into a service agreement with the Company for a period of three years commencing April 1, 2005 and will continue thereafter unless and until terminated by either party by three months' prior written notice. The service contract may be terminated by either party by giving to the other three months' prior notice in writing. Ms. Chen's directorship is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws. Ms. Chen's remuneration as an executive director has been determined by the Board was approximately HK\$1,390,451 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, Ms. Chen had deemed interest of 202,875,437 Shares which is held by Metroasset Investments Limited and deemed interest of 2,000,000 Shares under the Share Option Scheme of the Company which represents the ordinary shares of the Company to be allotted and issued upon exercise of the share options granted within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Chen does not hold any directorship in other listed public companies in the last three years. Ms. Chen does not have any relationship with any director, member of senior management or substantial or controlling Shareholders.

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 Ms. Chen 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. Li Chak Hung, aged 52, is an independent non-executive director of the Company since September 2016. He is graduated from The Chinese University of Hong Kong and holds a Bachelor's Degree of Business Administration. He 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 26 years' experience in accounting, auditing, taxation and financial management. Mr. Li is currently an independent non-executive director of SkyOcean International Holdings Limited (Stock Code: 593) and an independent non-executive director of Dan Form Holdings Company Limited (Stock Code: 271). He was an independent non-executive director of Alibaba Pictures Group Limited (formerly known as ChinaVision Media Group Limited) (Stock Code: 1060) from September 2004 to June 2014, all the companies are listed on Main Board of the Stock Exchange of Hong Kong.

Mr. Li has entered into a service contract with the Company for a fixed term of one year commencing September 20, 2016, subject to the retirement and re-election provisions in the Byelaws. The Director's fee of Mr. Li as an independent non-executive director was HK\$72,000 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. 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 Rules 13.51(2)(h) to (v) of the Listing Rules.

Mr. Wu Chia Ming, aged 48, is an independent non-executive director of the Company since December 2014. He has a master's degree in business administration from the Institute of International Business, National Cheng-kung University and a bachelor's degree in electronic engineering from Chung Yuan Christian University in Taiwan. Mr. Wu has nearly 22 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 service contract with the Company for a fixed term of one year commencing December 1, 2014, subject to the retirement and re-election provisions in the Byelaws. The Director's fee of Mr. Wu as an independent non-executive director was HK\$60,000 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. 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 Rules 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF AGM



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, China on Monday, June 12, 2017 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, the reports of the directors and the auditors for the year ended December 31, 2016.
2. To re-elect the retiring directors and authorise the board of directors to fix the remuneration of the directors.
3. To re-appoint auditors of the Company and authorise the board of directors to fix the remuneration of the auditors.

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 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 nominal amount of the shares of the Company which are authorised to be purchased by the Directors pursuant to the approval in paragraph (a) shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing 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 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 law or the Company’s bye-laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company 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 in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as defined below) to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period (as defined below);

NOTICE OF AGM

(c) the aggregate nominal amount of share capital 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 of the Company, 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 aggregate nominal amount of the issued share capital of the Company as at the date of passing 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 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 law or the Company’s bye-laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company 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).”

NOTICE OF AGM

6. “**THAT** conditional upon the passing of the resolutions nos. 4 and 5 as set out in the notice convening the meeting of which these resolutions form part, the general mandate granted to the Directors pursuant to the resolution no. 5 as set out in the notice convening the meeting of which this resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the resolution no. 4 as set out in the notice convening the meeting of which this resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

By order of the Board
Sandmartin International Holdings Limited
Hung Tsung Chin
Chairman

Hong Kong, April 28, 2017

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 of the Company.
- 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 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, 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 of the Company 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, Ms. Chen Mei Huei, Mr. Li Chak Hung and Mr. Wu Chia Ming will retire from office as Directors at the Annual General Meeting and, being eligible, have offered themselves for re-election.
- 4) The transfer books and register of shareholders will be closed from Wednesday, May 10, 2017 to Friday, May 12, 2017 (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 Company’s branch share registrar, 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 Tuesday, May 9, 2017.

As at the date hereof, the executive directors of the Company are Mr. Hung Tsung Chin, Ms. Chen Mei Huei, Mr. Liao Wen I, Mr. Frank Karl-Heinz Fischer and Mr. Chen Wei Chun; the independent non-executive directors of the Company are Mr. Han Chien Shan, Mr. Wu Chia Ming and Mr. Li Chak Hung.