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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult a 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 SMIT Holdings Limited, you should at once hand this circular, together with the accompanying form of proxy to the purchaser or the 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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SMIT Holdings Limited

國微技術控股有限公司

(incorporated in the Cayman Islands with limited liability)

(stock code: 2239)

PROPOSED DECLARATION OF DIVIDEND, GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF DIRECTORS AND PROPOSED CHANGE OF COMPANY CHINESE NAME

NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of SMIT Holdings Limited to be held at 22F, Guoshi Building., No.1801, Sha He Xi Road, Nanshan, Shenzhen, PRC at 4:00 p.m. on Friday, 10 May 2019 is set out on pages 14 to 18 of this circular.

A letter from the Board is set out on pages 3 to 7 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish.

8 April 2019

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at the annual general meeting of the Company to be held at 22F, Guoshi Building., No.1801, Sha He Xi Road, Nanshan, Shenzhen, PRC at 4:00 p.m. on Friday, 10 May 2019 or any adjournment thereof
“Articles”	the articles of association of the Company
“Board”	the board of Directors
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company” or “SMIT”	SMIT Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the issued 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)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that the total number of Shares which may be allotted and issued under the Issue Mandate may be extended by the addition thereto the total number of Shares repurchased under the Repurchase Mandate
“Group”	the Company and its subsidiaries
“HK\$” and “HK cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of passing the relevant resolution at the Annual General Meeting
“Latest Practicable Date”	Friday, 29 March 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Proposed Change of Company Chinese Name”	the proposed change of the dual foreign name in Chinese of the Company from “國微技術控股有限公司” to “國微控股有限公司”
“Record Date”	Tuesday, 21 May 2019, being the record date for determining entitlements of the Shareholders to the proposed final dividend
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares not exceeding 10% of the total number of issued Shares as at the date of passing the relevant resolution at the Annual General Meeting
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of US\$0.00002 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“SMIT Hong Kong”	SMIT Holdings (HK) Limited, a company incorporated under the laws of Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“SMIT Shenzhen”	Shenzhen Sate Micro Technology Co., Ltd (國微集團(深圳)有限公司), accompany incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	percent

LETTER FROM THE BOARD



SMIT Holdings Limited
國微技術控股有限公司

(incorporated in the Cayman Islands with limited liability)
(stock code: 2239)

Executive Directors:

Mr. Huang Xueliang (*Chairman*)
Mr. Shuai Hongyu
Mr. Loong, Manfred Man-tsun

Non-Executive Directors:

Mr. Zeng Zhijie
Mr. Kwan, Allan Chung-yuen
Mr. Gao Songtao

Independent non-executive Directors:

Mr. Zhang Junjie
Mr. Woo Kar Tung, Raymond
Mr. Jin Yufeng

Registered office:

Maples Corporate Services Limited
PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Principal place of business in Hong Kong:

Flat/Rm 4801,
48F Central Plaza,
18 Harbour Road,
Wanchai,
Hong Kong

8 April 2019

To the Shareholders

Dear Sir/Madam,

**PROPOSED DECLARATION OF DIVIDEND,
GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS AND
PROPOSED CHANGE OF COMPANY
CHINESE NAME**

NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

This circular contains information relating to the proposed declaration of final dividend, the Issue Mandate, the Repurchase Mandate and the Extension Mandate, an explanatory statement regarding the Repurchase Mandate, details of the retiring Directors proposed to be re-elected, and details of the Proposed Change of Company Chinese Name.

LETTER FROM THE BOARD

FINAL DIVIDEND

As stated in the announcement issued by the Company dated 28 February 2019 relating to the annual results of the Group for the year ended 31 December 2018, the Board recommended the payment of a final dividend of HK 1.00 cent per Share in respect of the year ended 31 December 2018 (“**Final Dividend**”) to Shareholders whose names appear on the register of members of the Company on the Record Date. The proposed Final Dividend is subject to approval by the Shareholders at the Annual General Meeting and a resolution will be proposed to the Shareholders for voting at the Annual General Meeting. If the resolution for the proposed Final Dividend is passed at the Annual General Meeting, the proposed Final Dividend will be payable on or about Thursday, 30 May 2019.

ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of passing of the relevant resolution. As at the Latest Practicable Date, a total of 316,817,755 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company between the Latest Practicable Date and the date of the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 63,363,551 Shares, without taking into account any additional Shares which may be issued pursuant to the Extension Mandate.

REPURCHASE MANDATE

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, on the Stock Exchange, Shares not exceeding 10% of the total number of issued Shares as at the date of passing of the relevant resolution. As at the Latest Practicable Date, a total of 316,817,755 Shares were in issue. Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company between the Latest Practicable Date and the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 31,681,775 Shares.

Under the Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix I to this circular.

EXTENSION MANDATE

In addition, an ordinary resolution will also be proposed at the Annual General Meeting to extend the Issue Mandate by the addition thereto the total number of Shares repurchased under the Repurchase Mandate.

LETTER FROM THE BOARD

The Repurchase Mandate and the Issue Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period within which the Company is required by the Companies Law or the Articles to hold its next annual general meeting; or (c) when revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

RE-ELECTION OF DIRECTORS

According to Article 16.18 of the Articles, at each annual general meeting, one-third of the Directors for the time being (or if their number is not three or a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

The re-appointment of Directors has been reviewed by the nomination committee of the Company which made recommendation to the Board that the re-election be proposed for Shareholders' approval at the Annual General Meeting.

As such, Mr. Huang Xueliang, Mr. Shuai Hongyu and Mr. Loong, Manfred Man-tsun will retire and, being eligible, offer themselves for re-election.

Details of the Directors to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

PROPOSED CHANGE OF COMPANY CHINESE NAME

The Company announced on 4 April 2019 that the Board proposed to change the dual foreign name in Chinese of the Company from “國微技術控股有限公司” to “國微控股有限公司”.

Conditions for the Proposed Change of Company Chinese Name

The Proposed Change of Company Chinese Name is conditional upon the satisfaction of the following conditions:

- (i) the approval by the Shareholders at the AGM by way of a special resolution (the “**Special Resolution**”); and
- (ii) the Registrar of Companies in the Cayman Islands approving the Proposed Change of Company Chinese Name.

Subject to the satisfaction of the above conditions, the Proposed Change of Company Chinese Name will take effect from the passing of the Special Resolution. The Company will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.

LETTER FROM THE BOARD

In addition, subject to confirmation by the Stock Exchange, the Chinese stock short name of the Company for trading of Shares on the Stock Exchange will also be changed after the Proposed Change of Company Chinese Name becomes effective.

Reasons for the Proposed Change of Company Chinese Name

The Board is of the view that the Proposed Change of Company Chinese Name will reflect more accurately the nature of business of the Group and the business focus of the Group in the future, and is in the interests of the Company and the Shareholders as a whole.

Effects of the Proposed Change of Company Chinese Name

The Proposed Change of Company Chinese Name will not affect any rights of the Shareholders. All existing share certificates of the Company in issue bearing the current name of the Company will, upon the Proposed Change of Company Chinese Name becoming effective, continue to be evidence of title to such Shares and will remain valid for trading, settlement, registration and delivery purposes.

There will not be any arrangement for the free exchange of the existing share certificates for new share certificates bearing the English name and new dual foreign name in Chinese of the Company.

Upon the Proposed Change of Company Chinese Name becoming effective, all new share certificates will be issued only in the English name and new dual foreign name in Chinese of the Company.

THE ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting to be held at 22F, Guoshi Building., No.1801, Sha He Xi Road, Nanshan, Shenzhen, PRC at 4:00 p.m. on Friday, 10 May 2019 is set out on pages 14 to 18 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

RECOMMENDATION

The Directors believe that the proposed declaration of the Final Dividend, grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of Directors named above and the Proposed Change of Company Chinese Name are in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors recommend that Shareholders vote in favour of all the ordinary resolutions and the special resolution as set out in the AGM notice at the Annual General Meeting.

LETTER FROM THE BOARD

VOTING BY WAY OF POLL

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The chairman of the Annual General Meeting will therefore demand a poll for every resolution put to the vote of the Annual General Meeting pursuant to Article 13.5 of the Articles.

CLOSURE OF REGISTER OF MEMBERS

Annual General Meeting

The transfer books and register of members will be closed from Friday, 3 May 2019 to Friday, 10 May 2019, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Thursday, 2 May 2019.

Final Dividend

The transfer books and register of members will be closed from Friday, 17 May 2019 to Tuesday, 21 May 2019, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for the proposed Final Dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Thursday, 16 May 2019.

GENERAL

Your attention is drawn to the additional information as set out in the Appendices.

Yours faithfully,
For and on behalf of the Board of
SMIT Holdings Limited
Huang Xueliang
Chairman

8 April, 2019

This Appendix I serves as an explanatory statement, as required by the Listing Rules, to provide requisite information as to the proposed Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

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

2. ISSUED SHARES

As at the Latest Practicable Date, there were a total of 316,817,755 Shares in issue.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 31,681,775 Shares, which represents 10% of the total number of issued Shares as at the date of passing the resolution.

3. REASONS FOR THE REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed. Share repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

In repurchasing the Company's securities, the Company may only apply funds legally available for the purpose in accordance with the Articles and the Companies Law.

5. IMPACT ON THE WORKING CAPITAL OR GEARING POSITION OF THE COMPANY

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as reflected in the latest published audited financial statements of the Company. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company.

6. SHARE PRICES

The Shares are trading on the Stock Exchange and the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the following months immediately preceding the Latest Practicable Date are as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
March 2018	9.79	7.27
April 2018	8.34	6.10
May 2018	7.00	5.78
June 2018	6.90	5.35
July 2018	6.01	4.56
August 2018	5.73	3.88
September 2018	5.70	4.36
October 2018	4.88	3.73
November 2018	5.01	3.69
December 2018	5.11	4.20
January 2019	5.00	3.91
February 2019	4.79	4.01
March 2019 (up to the Latest Practicable Date)	4.70	4.21

7. THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases when the Company exercises its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge of the Directors, the controlling shareholder (as defined in the Listing Rules) of the Company, namely Mr. Huang Xueliang (the "**Controlling Shareholder**"), controls the exercise of 51.65% voting rights in the general meeting of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate (if such shareholdings otherwise remain the same), the indirect shareholding of the Controlling Shareholder in the Company would increase to approximately 57.39% of the issued Shares. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 and Rule 32 of the Takeovers Code.

8. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the previous six months preceding the Latest Practicable Date.

9. GENERAL

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

The Directors have undertaken to the Stock Exchange that they will only exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Articles, the Listing Rules and the applicable laws of the Cayman Islands.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that they have any present intention to sell any Shares to the Company nor has any such core connected person undertaken not to sell any Shares held by them to the Company in the event that the Repurchase Mandate is granted.

APPENDIX II PARTICULARS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

The biographical details of the retiring Directors being eligible and offering themselves for re-election at the Annual General Meeting are set out below:

Mr. Huang Xueliang (黃學良), aged 56, is the chairman, an executive Director and the chief executive officer of our Company and the Founder of our Group. He was appointed as the chairman, executive Director and the chief executive officer of our Company with effect from 20 September 2015. He is also a director of SMIT Hong Kong. Mr. Huang is primarily responsible for the overall strategic planning and overseeing the general management of our Group. He has over 17 years of management experience in the IC design industry.

From March 1989 to December 1991, Mr. Huang worked in the China National Electronic Devices Corp., Shenzhen branch* (中國電子器件公司深圳公司), a company primarily engaged in distributing and selling computer related components and other electronic components. From January 1992 to February 1993, Mr. Huang worked as the vice manager in Shenzhen Xianke Mechatronics Corporation* (深圳市先科機械電子公司), a company engaged in the processing of various electronic modules and components. Mr. Huang is the director of Shenzhen State Micro Science and Technology Co. Ltd.* (深圳市國微科技有限公司), a company engaged in the research and development of integrated circuit design, since 1993. Mr. Huang was appointed as non-independent director of Nationz Technologies Inc. (國民技術股份有限公司), a leading provider of secure IC products and services since May 2018. He has served as the deputy director of China Semiconductor Industry Association IC Design Branch* (中國半導體行業協會集成電路設計分會) since November 2005, and deputy director of The Integrated Circuit Design Industry Technology Innovative Alliance (集成電路設計產業技術創新戰略聯盟) since October 2018.

Mr. Huang obtained a bachelor's degree in semiconductor from Xidian University (formerly known as North-western Telecommunications Engineering School* (西北電訊工程學院)) in July 1984 and a master's degree in electrical engineering from Southeast University in April 1989.

Mr. Huang entered into a service agreement with the Company for a term of three years commencing from 21 September 2018 which may be terminated by either party upon a three month prior written notice. Pursuant to the service agreement, Mr. Huang is entitled to an annual director's fee of US\$24,000, determined with reference to his experience and qualification. Mr. Huang's total emoluments in 2018 were approximately US\$544,000.

As at the Latest Practicable Date, Mr. Huang is interested in 172,049,090 Shares, as he directly and indirectly holds 163,622,690 Shares and is directly interested in options to subscribe for 8,426,400 Shares. Save as aforementioned, Mr. Huang has no other interest in the Company within the meaning of Part XV of the SFO.

Mr. Huang is not related to any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company.

Mr. Shuai Hongyu (帥紅宇), aged 58, is an executive Director of our Company. Mr. Shuai joined the Group on October 2005, and was appointed as an executive Director with effect from 23 March 2017.

APPENDIX II PARTICULARS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Mr. Shuai is the president and the chief operating officer of our Company. He is primarily responsible for co-leading, with Mr. Huang Xueliang, our business operation and overseeing strategic technologies. Mr. Shuai is also a director of SMIT Hong Kong and SMIT Shenzhen. Mr. Shuai has more than 20 years of industry experience related to image processing and digital television technologies.

From 1987 to 1989, Mr. Shuai was the engineer in the computer department of the Sichuan Province Remote Sensing Center* (四川省遙感中心計算室). From 1989 to 2000, Mr. Shuai was the vice president of the Southwest Branch of China Council for the Promotion of Applied Technology Exchange with Foreign Counties* (中國對外應用技術交流促進會西南分會). From 2000 to 2001, Mr. Shuai worked as the vice president of Beijing Zhongshilian Digital System Co., Ltd.* (北京中視聯數字系統有限公司). Between March 2001 to March 2004, Mr. Shuai was the general manager of DTVIA Conditional Access System (CHINACRYPT) Co., Ltd.* (北京中視聯條件接收系統有限公司), a conditional access joint-venture between Philips Cryptoworks (China) Limited and China Digital TV Holding Co., Ltd. Between July 2004 and October 2005, Mr. Shuai worked as the general manager of Beijing Pu'aode Digital Technology Co., Ltd.* (北京浦奧得數碼技術有限公司), a company engaged in the design and development of digital television system.

Mr. Shuai obtained a bachelor's degree in wireless communication in July 1982 and a master's degree in engineering in January 1987 from Xindian University (formerly known as North-western Telecommunications Engineering School* (西北電訊工程學院).

Mr. Shuai entered into a service agreement with the Company for a term of three years commencing from 23 March 2017 which may be terminated by either party upon a three month prior written notice. Pursuant to the service agreement, Mr. Shuai is entitled to an annual director's fee of US\$24,000, determined with reference to his experience and qualification. Mr. Shuai's total emoluments in 2018 were approximately US\$496,000.

As at the Latest Practicable Date, Mr. Shuai is interested in 6,356,853 Shares, as he directly holds 1,174,471 Shares and is directly interested in options to subscribe for 5,182,382 Shares. Save as disclosed, Mr. Shuai does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Future Ordinance.

Mr. Shuai is not related to any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company.

Mr. Loong, Manfred Man-tsun (龍文駿), aged 64, is an executive Director of our Company. Mr. Loong joined the Group on July 2013, and was appointed as an executive Director of our Company with effect from 23 March 2017.

Mr. Loong is the executive vice president and chief financial officer of our Company. Mr. Loong is primarily responsible for the management of the overall financial and accounting affairs of our Group.

APPENDIX II PARTICULARS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Mr. Loong has extensive experience in accounting and related financial management. Prior to 2006, Mr. Loong had extensive experience working at Lucent Technologies (China) Co., Ltd.. Between April 2006 and July 2009, he served as the chief financial officer and chief operating officer at UTStarcom Telecom Co., Ltd., the subsidiary of UTStarcom Holdings Corp. (NASDAQ: UTSI), a global telecom infrastructure provider, focused on delivering innovative carrier-class broadband transport and access (both Wi-Fi and fixed line) products and solutions, optimised for mobile backhaul, metro aggregation, broadband access and Wi-Fi data offloading. Between January 2010 to May 2012, Mr. Loong was the chief financial officer of China Ming Yang Wind Power Group Ltd. (NYSE: MY), a wind turbine manufacturer in China, listed on the New York Stock Exchange, focusing on designing, manufacturing, selling and servicing megawatt-class wind turbines.

Mr. Loong graduated from the University of Washington with a Bachelor of Arts degree in business administration in June 1978 and was qualified as a certified public accountant in New Jersey in the United States in February 1990.

Mr. Loong entered into a service agreement with the Company for a term of three years commencing from 23 March 2017 which may be terminated by either party upon a three month prior written notice. Pursuant to the service agreement, Mr. Loong is entitled to an annual director's fee of US\$24,000, determined with reference to his experience and qualification. Mr. Loong's total emoluments in 2018 were approximately US\$464,000.

As at the Latest Practicable Date, Mr. Loong is personally interested in options to subscribe for 6,544,129 Shares. Save as disclosed, Mr. Loong does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Future Ordinance.

Mr. Loong is not related to any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company.

Save as disclosed above, none of the above retiring Directors have any information which is required to be disclosed under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters relating to the re-election of the retiring Directors that need to be brought to the attention of the Shareholders.

NOTICE OF THE ANNUAL GENERAL MEETING



SMIT Holdings Limited 國微技術控股有限公司

(incorporated in the Cayman Islands with limited liability)
(stock code: 2239)

NOTICE IS HEREBY GIVEN that the annual general meeting of SMIT Holdings Limited (the “Company”) will be held at 22F, Guoshi Building., No.1801, Sha He Xi Road, Nanshan, Shenzhen, PRC at 4:00 p.m. on Friday, 10 May 2019 to consider and, if thought fit, transact the following business:

ORDINARY BUSINESS

1. to receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and the auditor of the Company for the year ended 31 December 2018;
2. to declare a final dividend of HK 1.00 cent per ordinary share of the Company in respect of the year ended 31 December 2018;
3. to re-elect Mr. Huang Xueliang as an executive director of the Company;
4. to re-elect Mr. Shuai Hongyu as an executive director of the Company;
5. to re-elect Mr. Loong, Manfred Man-tsun as an executive director of the Company;
6. to authorise the board of directors of the Company to fix the remuneration of the Company’s directors;
7. to re-appoint PricewaterhouseCoopers as the Company’s auditor and authorise the board of directors of the Company to fix their remuneration;

and, as additional ordinary business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modification);

8. “**THAT:**
 - (a) subject to paragraph (c) below, pursuant to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with

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the unissued shares of US\$0.00002 each in the capital of the Company (the “**Shares**” and each, a “**Share**”) and to make or grant offers, agreements or options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements or options which might require the exercise of the aforesaid powers after the expiry of the Relevant Period;
- (c) the total number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options and otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (defined below); or (ii) the exercise of any options granted under all share option schemes of the Company adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of 20 per cent. of the total number of issued Shares as at the date of the passing of this resolution; and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the directors of the Company to holders of Shares on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which

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may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

9. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to repurchase (or agree to repurchase) shares of US\$0.00002 each in the capital of the Company (the **“Shares”** and each, a **“Share”**) on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the total number of Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the total number of issued Shares as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, **“Relevant Period”** means the period from the date of the passing of this resolution until whichever is the earliest
 - (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 articles of association of the Company or the applicable laws of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

10. **“THAT** conditional on the passing of resolutions numbered 8 and 9 above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution numbered 8 above be and it is hereby extended by the addition thereto the total number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of the total number of Shares repurchased or agreed to be repurchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 9 above.”

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and as special business, to consider and, if thought fit, pass the following resolution as special resolution:

SPECIAL BUSINESS

11. “**THAT** the dual foreign name in Chinese of the Company, is changed from “國微技術控股有限公司” to “國微控股有限公司” (**“Proposed Change of Company Chinese Name”**).”

Yours faithfully,

For and on behalf of the board of directors of
SMIT Holdings Limited
Cheng Kai Pui, Eric
Company Secretary

Date: 8 April 2019

Registered office:

Maple Corporate Services Limited
PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Principal place of business in Hong Kong:

Flat/Rm 4801,
48F Central Plaza,
18 Harbour Road,
Wanchai,
Hong Kong

Notes:

1. Any member entitled to attend and vote at the above meeting is entitled to appoint one or, if he is the holder of two or more shares, one or more proxies to attend and, on a poll, vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the offices of the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, at least 48 hours before the time for holding the above meeting.

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3. The transfer books and register of members of the Company will be closed from 3 May 2019 to 10 May 2019 (both days inclusive), during which period no transfer of shares in the Company will be effected. In order to qualify for attending the annual general meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on 2 May 2019 for registration.
4. In relation to proposed resolution numbered 2 above, the proposed final dividend will be payable to the shareholders whose names appear on the register of members of the Company on 21 May 2019. The transfer books and register of members of the Company will be closed from 17 May 2019 to 21 May 2019 (both days inclusive), during which period no transfer of shares in the Company will be effected. In order to qualify for the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on 16 May 2019 for registration.
5. In relation to proposed resolutions numbered 9 above, approval is being sought from the shareholders for the grant to the directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules. The directors of the Company have no immediate plans to issue any new Shares.
6. In relation to proposed resolution numbered 10 above, the directors of the Company wish to state that they will exercise the powers conferred thereby to purchase Shares in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in the Appendix I to the circular of which this notice of the annual general meeting forms part.
7. In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto in the meeting, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
8. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.