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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
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, 27 May 2022 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.

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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 22F, Guoshi Building, No. 1801, Sha He Xi Road, Nanshan, Shenzhen, PRC at 4:00 p.m. on Friday, 27 May 2022 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

DEFINITIONS

“Latest Practicable Date”	Tuesday, 19 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China
“Record Date”	Tuesday, 7 June 2022, 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”	SMIT Group Limited (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. Kwan, Allan Chung-yuen

Mr. Cai Jing

Independent non-executive Directors:

Mr. Zhang Junjie

Mr Woo Kar Tung, Raymond

Mr. Jin Yufeng

Registered office:

Maples Corporate Services Limited

PO Box 309, Uglan House

Grand Cayman, KY1-1104

Cayman Islands

Principal place of business

in Hong Kong:

1/F, Harbour View 2

16 Science Park East Avenue

Hong Kong Science Park Shatin

New Territories

Hong Kong

22 April 2022

To the Shareholders

Dear Sir/Madam,

**PROPOSED DECLARATION OF DIVIDEND,
GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
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, and details of the retiring Directors proposed to be re-elected.

LETTER FROM THE BOARD

FINAL DIVIDEND

As stated in the announcement issued by the Company dated 25 March 2022 relating to the annual results of the Group for the year ended 31 December 2021, the Board recommended the payment of a final dividend of HK1.00 cent per Share in respect of the year ended 31 December 2021 (“**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 Tuesday, 14 June 2022.

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 320,353,341 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 64,070,668 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 320,353,341 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 32,035,334 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.

LETTER FROM THE BOARD

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.

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.

As such, Mr. Huang Xueliang, Mr. Kwan, Allan Chung-yuen, Mr. Zhang Junjie will retire and, being eligible, offer themselves for re-election.

The nomination committee of the Company (the “**Nomination Committee**”), having reviewed the Board’s composition, noted that pursuant to the Articles and the nomination policy of the Board (the “**Nomination Policy**”), Mr. Huang Xueliang, Mr. Kwan, Allan Chung-yuen, Mr. Zhang Junjie are eligible for nomination, and recommended Mr. Huang Xueliang, Mr. Kwan, Allan Chung-yuen, Mr. Zhang Junjie to the Board for the Board to recommend to the Shareholders for re-election at the Annual General Meeting.

The recommendations were made in accordance with the Articles and the Nomination Policy and took into account the various diversity aspects as set out in the board diversity policy and also the diverse background of each candidate and their respective contributions to the Board. The Nomination Committee was satisfied with the independence of Mr. Zhang Junjie with reference to the criteria as set out in Rule 3.13 of the Listing Rules. The Board accepted the Nomination Committee’s recommendations and recommended Mr. Huang Xueliang, Mr. Kwan, Allan Chung-yuen, Mr. Zhang Junjie to stand for re-election by Shareholders at the Annual General Meeting.

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

LETTER FROM THE BOARD

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, 27 May 2022 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 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 as set out in the AGM notice at the Annual General Meeting.

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 Tuesday, 24 May 2022 to Friday, 27 May 2022, 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 Monday, 23 May 2022 for registration.

LETTER FROM THE BOARD

Final Dividend

The transfer books and register of members will be closed from Thursday, 2 June 2022 to Tuesday, 7 June 2022, both days inclusive, during which period no transfer of Shares will be affected. 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 Wednesday, 1 June 2022 for registration.

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

22 April 2022

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 320,353,341 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 32,035,334 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 2021	3.49	2.71
April 2021	5.20	2.73
May 2021	3.59	3.05
June 2021	3.70	3.00
July 2021	5.33	3.61
August 2021	5.50	4.37
September 2021	5.03	3.90
October 2021	4.10	3.68
November 2021	4.72	3.21
December 2021	4.19	3.15
January 2022	3.33	2.62
February 2022	3.19	2.65
March 2022	3.00	2.22
April 2022 (up to the Latest Practicable Date)	2.89	2.41

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 54.06% 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 60.07% 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.

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 59, 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 40 years of working 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 Board Chairman 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 served as a 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 between May 2018 and April 2020. He has served as Board Chairman of Shenzhen Smart Device Technology Co., LTD (深圳市視美泰技術股份有限公司), a high-tech company focus on smart screen and machine intelligence, since September 5, 2015. He was appointed as Board Chairman of S2C Limited (上海國微思爾芯技術股份有限公司) (Formerly named as S2C Shanghai Co., Ltd (思爾芯(上海)信息科技有限公司)) from November 5, 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).

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 26 March 2020 which may be terminated by either party upon 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 qualifications.

As at the Latest Practicable Date, Mr. Huang was interested in 5,043,624 Shares and was interest in share options to subscribe for 1,475,914 Shares. Mr. Huang also held a 99% interest in Shenzhen Qianhai Guowei Investment Co., Ltd. (深圳前海國微投資有限公司), which in turn held 100% interest in Ever Expert Holdings Limited. Mr. Huang was therefore also deemed to be interested in the 168,134,777 Shares held by Ever Expert Holdings Limited. 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 Director, senior management member, substantial or controlling shareholder (as defined under the Listing Rules) of the Company.

Mr. Kwan, Allan Chung-yuen (關重遠), aged 64, is a non-executive Director of our Company. Mr. Kwan joined our Group in September 2015 and was appointed as a non-executive Director of our Company with effect from 20 September 2015. Mr. Kwan has been a director of SMIT Corporation since February 2008.

He served as the regional vice president and managing director of North Asia from July 2001 to January 2006 and the vice president from January 2006 to April 2007 in Yahoo! International. Mr. Kwan has been a venture partner of Oak Management Corporation, a venture capital firm which is an affiliate of Oak Investment Partners X, L.P., since April 2007. He has served as a director since November 2008 and was a member of the audit committee for NeoPhotonics Corporation (NYSE: NPTN), a designer and manufacturer of photonic integrated circuit based modules listed in the New York Stock Exchange until November 2015.

Mr. Kwan obtained a bachelor's degree in mechanical engineering from the University of British Columbia in May 1982, a master of business administration degree from the Wharton School of University of Pennsylvania in May 1987, and a Master of Arts degree from the University of Pennsylvania in May 1987.

Mr. Kwan entered into a service agreement with the Company for a term of three years commencing from 26 March 2020 which may be terminated by either party upon three month prior written notice. Pursuant to the service agreement, Mr. Kwan is entitled to an annual director's fee of US\$24,000, determined with reference to his experience and qualifications.

As at Latest Practicable Date, Mr. Kwan was interested in 223,418 Shares. Mr. Kwan also held 100% interest in Cykorp Limited. Mr. Kwan is therefore deemed to be interested in the 856,996 Shares in which Cykorp Limited had interests. Save as aforementioned, Mr Kwan has no other interest in the Company within the meaning of Part XV of the SFO.

Mr. Kwan is not related to any Director, senior management member, substantial or controlling shareholder (as defined under the Listing Rules) of the Company.

Mr. Zhang Junjie (張俊傑), aged 52, is an independent non-executive Director of our Company. Mr. Zhang joined the Group on 6 March 2016, and was appointed as an independent non-executive Director of our Company with effect from 6 March 2016.

Mr. Zhang has over 11 years of experience in the investment banking industry. From May 2001 to December 2004, Mr. Zhang worked in Dapeng Securities Company (大鵬證券有限責任公司). From February 2005 to May 2017, he worked as the general manager in the business department of the investment bank, Guosen Securities Company Limited (國信證券股份有限公司). Mr. Zhang has served as the general manager of Shenzhen Qianhai Huiqiao Investment Management Ltd (深圳市前海匯橋投資管理有限公司) since June 2017. Since October 2017, Mr. Zhang has been director of Suzhou Xinrui Alloy Tools Co., Ltd (蘇州新銳合金工具股份有限公司) and Hubei W-Olf Photoelectric Technology Co., Ltd. (湖北五方光電股份有限公司) (stock code:002962) (a high-tech enterprise specializing in research, development, production and sales of precision photoelectric thin film components). Mr. Zhang has served as independent director of Shenzhen Landray Software Co.,Ltd. (深圳市藍凌軟件股份有限公司) which is a professional digital OA & service provider since December 2018. He joined Proitav Technology Limited (深圳市拔超科技有限公司), a national high-tech enterprise focusing on research, development and production of audio and video products as director since April 2019.

Mr. Zhang received a bachelor's degree in oil development and drilling engineering from the Jiangnan Petroleum University (now known as Yangtze University) in June 1992. He received a master's degree in industrial economics from Wuhan University of Technology in June 1999. Mr. Zhang also received an executive master of business administration degree from Cheung Kong Graduate School of Business in October 2012.

Mr. Zhang entered into a service agreement with the Company for a term of three years commencing from 26 March 2020 which may be terminated by either party upon three month prior written notice. Pursuant to the service agreement, Mr. Zhang is entitled to an annual director's fee of US\$24,000, determined with reference to his experience and qualifications. As at the Latest Practicable Date, Mr. Zhang did not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Future Ordinance.

Mr. Zhang is not related to any Director, senior management member, substantial or controlling shareholder (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, 27 May 2022 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 2021;
2. to declare a final dividend of HK\$0.01 per ordinary share of the Company in respect of the year ended 31 December 2021;
3. to re-elect Mr. Huang Xueliang as an executive director of the Company;
4. to re-elect Mr. Kwan, Allan Chung-yuen as a non-executive director of the Company;
5. to re-elect Mr. Zhang Junjie as an independent non-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);

NOTICE OF THE ANNUAL GENERAL MEETING

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 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

NOTICE OF THE ANNUAL GENERAL MEETING

- (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 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;

NOTICE OF THE ANNUAL GENERAL MEETING

- (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.”

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

22 April 2022

Registered office:

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

Principal place of business in Hong Kong:

1/F, Harbour View 2
16 Science Park East Avenue
Hong Kong Science Park Shatin
New Territories
Hong Kong

NOTICE OF THE ANNUAL GENERAL MEETING

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.
3. The transfer books and register of members of the Company will be closed from Tuesday, 24 May 2022 to Friday, 27 May 2022 (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 duly completed transfer forms, 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, no later than 4:30 p.m. on Monday, 23 May 2022 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 Tuesday, 7 June 2022. The transfer books and register of members of the Company will be closed from Thursday, 2 June 2022 to Tuesday, 7 June 2022 (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 duly completed transfer forms, 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, no later than 4:30 p.m. on Wednesday, 1 June 2022 for registration.
5. In relation to proposed resolutions numbered 8 and 10 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 9 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.
9. Shareholders or proxies who intend to attend the annual general meeting are specifically reminded to take personal protective measures and comply with the epidemic preventive and control requirements. In light of the current epidemic prevention and control and the consideration of protecting the life safety and health of the Shareholders and other participants, the Company will take a series of preventive and control measures at the venue, including but not limited to the followings:
 - (i) Shareholders and other participants are required to wear masks on their own to enter the venue and wear masks throughout the meeting;
 - (ii) each Shareholder and other participants must undergo hand sanitisation and mandatory temperature checking at the entrance of the venue, and any person who has been recorded a body temperature of higher than 37 degrees Celsius will not be allowed to enter the venue; and
 - (iii) no refreshment will be provided at the venue.
10. For the health and safety of all Shareholders, and in compliance with the recent guidelines for epidemic prevention and control, the Company would like to remind all Shareholders that it is not necessary to attend the annual general meeting in person for the exercising of voting rights. Instead, Shareholders may use the proxy form with voting instructions printed thereon to appoint the Chairman of the annual general meeting as his/her proxy to vote on the relevant resolutions at the annual general meeting in his/her stead.