SMIT HOLDINGS LIMITED
國微技術控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2239)

POSITIVE PROFIT ALERT

This announcement is made by SMIT Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the Company's shareholders and potential investors that, according to preliminary review of the Group's unaudited consolidated management accounts for the six months ended 30 June 2017, the Group expects to record a substantial increase of more than 70% in its consolidated net profit for the six months ended 30 June 2017 as compared to the consolidated net profit recorded in the corresponding period in 2016. The expected increase is primarily attributable to (i) an increase in revenue for the six months ended 30 June 2017 as compared to the corresponding period in 2016, mainly due to growth in the sales of CAM products and sales from our new block-chain products and O2O smart terminals; and (ii) no listing expenses being incurred during the six months ended 30 June 2017 as compared to approximately USD1.9 million in listing expenses incurred during the corresponding period in 2016; however, these factors are partially off-set by a net exchange loss resulting from the appreciation of RMB against the USD.

As the Company is still in the process of finalising the Group's interim results for the six months ended 30 June 2017, the information contained in this announcement is only based on the Board's preliminary review of the Group's information currently available to the Board, which includes, inter alia, the unaudited consolidated management accounts for the six months ended 30 June 2017 and is not based on any figures or information which has been reviewed or audited by the Company's auditors.

Shareholders and potential investors should read carefully the announcement on the Group's interim results for the six months ended 30 June 2017, which is expected to be published on 31 July 2017.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
SMIT Holdings Limited
Huang Xueliang
Chairman

Hong Kong, 26 July 2017

As at the date of this announcement, the executive Directors are Mr. Huang Xueliang (chairman and chief executive officer), Mr. Shuai Hongyu and Mr. Loong, Manfred Man-tsun; the non-executive Directors are Mr. Zeng Zhijie, Mr. Kwan, Allan Chung-yuen and Mr. Gao Songtao; and the independent non-executive Directors are Mr. Zhang Junjie, Mr. Woo Kar Tung, Raymond and Mr. Jin Yufeng.