SmarTone Telecommunications Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00315)

PROFIT WARNING

This announcement is made by SmarTone Telecommunications 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 and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "Board") wishes to inform shareholders of the Company and potential investors that the Group expects to record a material decline in profit attributable to equity holders in the consolidated financial results (the "Interim Results") for the six months ended 31 December 2013 ("1H FY14") as compared with the same period last year.

While local mobile service revenue net of handset subsidy amortisation is expected to increase slightly in 1H FY14 when compared with the same period last year, such increase is not sufficient to offset (1) lower handset business profits; and (2) increase in operating expenses and depreciation arising from the launch of 4G network as well as investment in general capacity enhancement to cater for increasing customer usage.

The information contained in this announcement is only a preliminary assessment by the Company based on information currently available. The Interim Results are still in the compilation process and such results are subject to review, adjustment and finalisation by the Company's external auditor, the Company's audit committee and the Board. The Interim Results are expected to be announced by the Company in mid-February 2014.

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

By order of the Board
SmarTone Telecommunications Holdings Limited
Mak Yau-hing, Alvin
Company Secretary

Hong Kong, 7 January 2014

As at the date of this announcement, the Executive Directors of the Company are Mr. Douglas LI and Mr. CHAN Kai-lung, Patrick; Non-Executive Directors are Mr. KWOK Ping-luen, Raymond, Mr. CHEUNG Wing-yui, Mr. David Norman PRINCE, Mr. SIU Hon-wah, Thomas, Mr. TSIM Wing-kit, Alfred, Mr. John Anthony MILLER and Mr. FUNG Yuk-lun, Allen; Independent Non-Executive Directors are Dr. LI Ka-cheung, Eric, JP, Mr. NG Leung-sing, JP, Mr. YANG Xiang-dong, Mr. GAN Fock-kin, Eric and Mrs. IP YEUNG See-ming, Christine.