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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 the shareholders of the Company and potential investors that based on the information currently available, the Group expects to record a decline in profit attributable to equity holders of 35% to 40% for the year ended 30 June 2014 (“FY14”) as compared with that for the year ended 30 June 2013 of HK\$843 million.

While local mobile service revenue net of handset subsidy amortisation increased slightly year-on-year in FY14, 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 based on the preliminary assessment by the Company on the information currently available. The Company is still in the process of compiling the final results of the Group for FY14 and such results are subject to audit, review, adjustment and finalisation by the Company’s external auditor, the Company’s audit committee and the Board. The final results of the Group for FY14 are expected to be announced by the Company in early September 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, 1 August 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. FUNG Yuk-lun, Allen, Mr. SIU Hon-wah, Thomas, Mr. TSIM Wing-kit, Alfred and Mr. John Anthony MILLER; 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.