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## **SmarTone Telecommunications Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00315)**

### **FINAL DIVIDEND FOR THE YEAR ENDED 30 JUNE 2012 CALCULATION OF MARKET VALUE**

On 4 September 2012, the board of directors (the "Board") of SmarTone Telecommunications Holdings Limited (the "Company") recommended a final dividend of HK\$0.53 per share in the capital of the Company (the "Share") for the year ended 30 June 2012 (the "Final Dividend") payable to the shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company as at Friday, 16 November 2012 (the "Record Date"). At the annual general meeting of the Company held on 6 November 2012, the Final Dividend was approved. Eligible Shareholders may elect to receive the Final Dividend in cash, or in the form of new fully paid Shares (the "New Shares") in lieu of cash, or partly in cash and partly in the form of New Shares (the "Scrip Dividend Scheme").

For the purpose of calculating the number of New Shares to be allotted pursuant to the Scrip Dividend Scheme, the market value of the New Shares has been fixed at HK\$14.516 per Share (the "Average Closing Price"), which is the average value of the closing prices per Share as quoted on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the five consecutive trading days commencing from, and including, 12 November 2012. Accordingly, the number of New Shares which an eligible Shareholder is entitled to receive in respect of the Shares registered in its/his/her name as at the Record Date and for which it/he/she has elected to receive New Shares, will be calculated as follows:

$$\begin{array}{l} \text{Number of} \\ \text{New Shares to} \\ \text{be received} \end{array} = \begin{array}{l} \text{Number of existing Shares} \\ \text{held on the Record Date for} \\ \text{which scrip election is made} \\ \text{for the Final Dividend} \end{array} \times \frac{\text{HK\$0.53 (Final Dividend per Share)}}{\text{HK\$14.516 (Average Closing Price)}}$$

The number of New Shares to be issued to each eligible Shareholder pursuant to its/his/her election will be rounded down to the nearest whole number of the New Shares. Fractional entitlements to the New Shares will be disregarded and the benefit thereof will accrue to the Company. The New Shares to be issued pursuant to the Scrip Dividend Scheme will, when they are issued, rank pari passu in all respects with the Shares in issue on the date of the allotment and issue of the New Shares except that such New Shares themselves will not rank for the Final Dividend.

Application has been made to the Listing Committee of the Stock Exchange for listing of, and permission to deal in, the New Shares to be allotted and issued pursuant to the Scrip Dividend Scheme. A circular to Shareholders giving details of the Scrip Dividend Scheme (the "Circular"), together with a form of election in relation to the Scrip Dividend Scheme (the "Election Form"), is expected to be sent to eligible Shareholders on or about Thursday, 22 November 2012. Shareholders with registered addresses in certain jurisdictions outside Hong Kong as specified in the Circular (whom the Directors of the Company consider exclusion from the Scrip Dividend Scheme to be necessary or expedient pursuant to Rule 13.36(2) of the Rules Governing the Listing of Securities on the Stock Exchange) will be excluded from receiving the Election Forms and will only receive the Final Dividend wholly in cash.

Shareholders who wish to receive only cash for the Final Dividend should NOT complete and return the Election Forms.

Shareholders who wish to receive, in lieu of cash dividend, in whole or in part, an allotment of New Shares should complete and sign the Election Forms in accordance with the instructions printed thereon and return it to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than the latest time specified in the Circular which is expected to be 4:00 p.m. on Friday, 7 December 2012.

It is expected that the definitive certificates for New Shares, and cheques for cash dividends, will be sent by ordinary mail to Shareholders at the risk of those entitled thereto on or about Monday, 17 December 2012, and the first day of dealings in the New Shares on the Stock Exchange is expected to be on or about Tuesday, 18 December 2012.

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

Hong Kong, 19 November 2012

*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. YUNG Wing-chung, 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.*