

SMARTONE TELECOMMUNICATIONS HOLDINGS LIMITED
("Company")

**PROCEDURE FOR SHAREHOLDERS TO PROPOSE A CANDIDATE FOR
ELECTION AS A DIRECTOR**

Subject to the applicable laws and rules, including the Companies Act 1981 of Bermuda and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and the Company's Bye-laws ("Bye-Laws"), as amended from time to time, shareholders of the Company ("Shareholders", and each a "Shareholder") may put forward proposal in general meetings to nominate any person to stand for election as a director of the Company ("Director")

Bye-law 85 of the Bye-Laws provides that:

"No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting."

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director, the following documents must be duly lodged within the time limit as stated in Bye-law 85 at the Head Office or at the Registration Office of the Company for the attention of the Company Secretary:-

- (i) a notice of his/her intention to propose such a resolution in the general meeting, duly signed by the Shareholder with his/her name and address stated clearly in an eligible manner, validity of which is subject to verification and confirmation by the Company's share registrar according to its records; and
- (ii) a notice executed by the nominated candidate of the candidate's willingness to be appointed together with (A) such information of that candidate as would be required to be disclosed under Rule 13.51(2) of the Listing Rules, (B) the candidate's written consent to the publication of his/her personal data, and (C) contact address and contact telephone number etc. of the candidate.

For the time being, the Head Office of the Company is located at 31/F, Millennium City 2, No. 378 Kwun Tong Road, Kowloon, Hong Kong. The Registration Office of the Company is located at c/o Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Hong Kong.

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