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SmarTone Telecommunications Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00315)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The board of directors (the “Board”) of SmarTone Telecommunications Holdings Limited (the “Company” or “SmarTone”) announces that Mr. Peter Kung (“Mr. Kung”) has been appointed as Independent Non-Executive Director (“INED”) of the Company with effect from 14 March 2022.

Mr. Kung, aged 59, is a member of the 13th National Committee of the Chinese People’s Political Consultative Conference. He is currently Vice President of Guangdong’s Association For Promotion of Cooperation between Guangdong, Hong Kong & Macao and Guangdong-HK-Macao Bay Area Entrepreneurs Union.

Mr. Kung graduated from the University of Liverpool in 1984. He is Associate Member of the Institute of Chartered Accountants in England and Wales and Fellow of the Hong Kong Institute of Certified Public Accountants. He is also Fellow of the Taxation Institute of Hong Kong and served as its president from 2007 to 2009.

Mr. Kung became a partner of KPMG in 1997, Head of China Tax in Hong Kong and Southern China in 2001, Senior Partner of KPMG’s Shenzhen office in 2006 and Senior Partner of KPMG’s Southern China region in 2010. He was Vice Chairman of KPMG China from 2013 to 2017 and Senior Advisor to KPMG China from 2018 to 2019.

Mr. Kung is Adjunct Professor of Beijing Normal University. He is also an independent non-executive director of Chongqing Brewery Co. Ltd., a company listed on the Shanghai Stock Exchange, ORIX Asia Limited and Kingboard Laminates Holdings Limited, a company listed on The Stock Exchange Hong Kong Limited and a member of the board and the audit committee of eBRAM.

Mr. Kung entered into a consultancy agreement with Sun Hung Kai Real Estate Agency Limited, a wholly-owned subsidiary of Sun Hung Kai Properties Limited (“SHKP”), in turn the holding company of SmarTone, under which he has taken on the role as China Tax Advisor to the SHKP group of companies (the “SHKP Group”) since October 2019 (the “Consultancy”). The Consultancy was renewed on 1 October 2021 and will expire on 30 September 2022, subject to further renewal. The Company is satisfied that Mr. Kung is independent for the reasons as set out below:

- (a) The scope of services for which Mr. Kung has been providing under the Consultancy and the monthly consultancy fee payable to Mr. Kung thereunder are immaterial whether to SHKP Group or SmarTone and its subsidiaries (the “SmarTone Group”);
- (b) Mr. Kung has advised that the monthly consultancy fee payable to him under the Consultancy is and will not be material to both his personal wealth and current income;
- (c) Mr. Kung has had no executive role in any member of the SHKP Group and the SmarTone Group. His role under the Consultancy is merely advisory and does not amount to performing any management or executive function;
- (d) Mr. Kung has confirmed that he met all other independence guidelines for INEDs as set out in Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”); and
- (e) Mr. Kung has confirmed that, during his term as INED of the Company, he will not provide any services under the Consultancy which may relate to any affairs of the SmarTone Group and will not take part as China Tax Adviser under the Consultancy in any discussions which may involve any affairs relating to the SmarTone Group.

Save as disclosed above, Mr. Kung (1) has not held any directorships in any public listed companies, whether in Hong Kong or overseas, during the last three years; (2) does not hold any other positions in the Company and its subsidiaries; and (3) does not have any other relationship with any directors, senior management or substantial or controlling shareholders of the Company.

As at the date of this announcement, Mr. Kung does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

There is no service contract entered into between Mr. Kung and the Company and there is no fixed term of his service with the Company. Pursuant to the Company’s Bye-laws, he will retire and be eligible for re-election at the next general meeting of the Company. Thereafter, he will be subject to retirement by rotation and re-election at the Company’s annual general meetings in accordance with the Company’s Bye-laws. Mr. Kung will be entitled to a director’s fee which is currently at HK\$144,000 per annum and is determined based on the prevailing market rate of directors’ fees for companies listed in Hong Kong. Fees payable to directors are subject to review and authorization on an annual basis by shareholders at the annual general meetings of the Company.

Save as disclosed above, there are no other matters relating to the appointment of Mr. Kung that need to be brought to the attention of the shareholders of the Company and there is no further information to be disclosed pursuant to the requirements of rule 13.51(2)(h) to (v) of the Listing Rules.

The Company would like to welcome Mr. Kung in joining the Board.

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

Hong Kong, 14 March 2022

As at the date of this announcement, the Executive Directors of the Company are Mr. FUNG Yuk-lun, Allen (Deputy Chairman), Mr. TAM Lok-man, Norman (Deputy Chief Executive Officer) and Mr. CHAU Kam-kun, Stephen; Non-Executive Directors are Mr. KWOK Ping-luen, Raymond (Chairman), Mr. CHEUNG Wing-yui (Deputy Chairman), Mr. David Norman PRINCE, Mr. SIU Hon-wah, Thomas and Mr. John Anthony MILLER; Independent Non-Executive Directors are Dr. LI Ka-cheung, Eric, JP, Mr. NG Leung-sing, JP, Mr. GAN Fock-kin, Eric, Mrs. IP YEUNG See-ming, Christine, Mr. LAM Kwok-fung, Kenny, Mr. LEE Yau-tat, Samuel and Mr. Peter KUNG.