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CITY TELECOM (H.K.) LIMITED

城市電訊(香港)有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 1137)

COMPLETION OF THE ADR OFFERING AND LISTING OF THE AMERICAN DEPOSITARY SHARES ON THE NASDAQ GLOBAL MARKET

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”).

Reference is made to the announcements of City Telecom (H.K.) Limited (“Company”) dated 15 April 2010, 26 April 2010 and 27 April 2010 as well as the Company’s Overseas Regulatory Announcements dated 7 April 2010, 15 April 2010, 23 April 2010 and 26 April 2010 in relation to the ADR Offering.

Unless otherwise stated, terms used herein shall have the same meanings as those defined in the Company’s announcement dated 26 April 2010.

COMPLETION OF THE ADR OFFERING

The Board is pleased to announce that the conditions of the Underwriting Agreement have been fulfilled.

As announced by the Company on 27 April 2010, the Underwriters have exercised in full the option granted by the Company to cover over-allotments of the ADSs, which has resulted in the sale by the Company of an additional 525,000 ADSs, representing 10,500,000 Shares.

Completion of the ADR Offering, including the over-allotment option for 525,000 ADSs, took place in New York, USA at 10:00 a.m. (New York City time) on 28 April 2010.

An aggregate of 4,025,000 ADSs, representing 80,500,000 Shares, have been placed by the Underwriters at the Offer Price of US\$13.00 (equivalent to approximately HK\$100.91) per ADS to more than six independent professional, institutional and/or private investors selected and procured by the Underwriters.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the placees of the ADSs and their respective ultimate beneficial owners is a third party independent of the Company and its connected persons (as defined in the Listing Rules); and none of the placees has become a substantial shareholder (as defined in the Listing Rules) of the Company immediately after completion of the ADR Offering.

Based on the estimated expense of approximately US\$700,000 (equivalent to approximately HK\$5,433,820) for the ADR Offering (including the over-allotment option), the gross proceeds raised under the ADR Offering are approximately US\$52,325,000 (equivalent to approximately HK\$406,178,045), and the net proceeds of the ADR Offering are approximately US\$49,008,750 (equivalent to approximately HK\$380,435,323).

The ADSs were listed on the Nasdaq Global Market on 28 April 2010 and trading of the ADRs on the Nasdaq Global Market commenced at 9:30 a.m. (New York City time) on the same day.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company immediately before and after completion of the ADR Offering (including 525,000 ADSs under the over-allotment option):

Shareholders	Immediately before completion of the ADR Offering		Immediately after completion of the ADR Offering	
	No. of Shares	Approximately %	No. of Shares	Approximately %
Mr. Wong Wai Kay, Ricky (<i>Note 1</i>)	346,959,573	50.69	346,959,573	45.35
Mr. Cheung Chi Kin, Paul (<i>Note 2</i>)	42,286,159	6.18	42,286,159	5.53
Mr. Yeung Chu Kwong, William	2,306,000	0.33	2,306,000	0.30
Mr. Lai Ni Quiaque (<i>Note 3</i>)	10,392,506	1.52	10,392,506	1.36
Public (<i>Note 4</i>)	282,553,106	41.28	363,053,106	47.46
	684,497,344	100.00	764,997,344	100.00

Notes:

- (1) 339,814,284 Shares are held by Top Group International Limited which is 42.12% owned by Mr. Wong Wai Kay, Ricky.
- (2) 24,924,339 Shares are held by Worship Limited which is 50% owned by Mr. Cheung Chi Kin, Paul.
- (3) 10,392,506 Shares are jointly owned by Mr. Lai Ni Quiaque and his spouse.
- (4) Including Shares represented by ADSs, which are held by a custodian on behalf of the Depository.

For illustrative purposes of this announcement, an exchange rate of US\$1 = HK\$7.7626 is used. However, no assurance can be given that this exchange rate will apply as and when the proceeds of the ADR Offering are converted into Hong Kong dollars.

By Order of the Board
City Telecom (H.K.) Limited
Lai Ni Quiaque
*Executive Director, Chief Financial Officer and
Company Secretary*

Hong Kong, 29 April 2010

As at the date of this announcement, the executive directors of the Company are Mr. Wong Wai Kay, Ricky (Chairman), Mr. Cheung Chi Kin, Paul (Vice Chairman), Mr. Yeung Chu Kwong, William (Chief Executive Officer), Mr. Lai Ni Quiaque (Chief Financial Officer); the non-executive director is Dr. Cheng Mo Chi, Moses; and the independent non-executive directors are Mr. Lee Hon Ying, John, Dr. Chan Kin Man and Mr. Peh Jefferson Tun Lu.