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**MOBILE TELECOM NETWORK (HOLDINGS) LIMITED**  
**流動電訊網絡(控股)有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8266)**

**RESULTS OF THE OPEN OFFER  
AND  
ADJUSTMENTS TO THE OPTIONS,  
CONVERTIBLE BONDS AND WARRANTS**

**Underwriter**



**Ever-Long Securities Company Limited**

**RESULTS OF THE OPEN OFFER**

The Board is pleased to announce that the Open Offer has become unconditional on 14 June 2011.

As at 4:00 p.m. on 9 June 2011, being the latest time for acceptance of and payment for the Offer Shares, a total of 6 valid acceptances of Offer Shares have been received for a total of 469,985,575 Offer Shares, representing approximately 79.85% of the total number of the Offer Shares available for subscription under the Open Offer.

The share certificates for the Offer Shares in respect of valid acceptance of the Offer Shares on the Application Forms will be despatched to the addresses of the applicants (as shown on the register of members of the Company) by ordinary post on 20 June 2011 at the relevant Shareholders' own risks.

Dealings in the Offer Shares are expected to commence on GEM at 9:00 a.m. on 22 June 2011.

**ADJUSTMENTS TO THE OPTIONS, CONVERTIBLE BONDS AND WARRANTS**

The Company announces that as a result of the Open Offer, the exercise prices of the Options, the conversion price of the Convertible Bonds and the exercise price of the Warrants will be adjusted with effect from 20 June 2011. The exercise price of the Director's Option will not be adjusted. Details of the adjustments have been disclosed in this announcement.

\* For identification purpose only

Reference is made to the announcement dated 4 April 2011 and the prospectus (the “**Prospectus**”) dated 25 May 2011 of the Company. Unless the context otherwise requires, terms used in this announcement shall have the same meanings as those defined in the Prospectus.

## **RESULTS OF THE OPEN OFFER**

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As at 4:00 p.m. on 9 June 2011, being the latest time for acceptance of and payment for the Offer Shares, a total of 6 valid acceptances of Offer Shares have been received for a total of 469,985,575 Offer Shares, representing approximately 79.85% of the total number of the Offer Shares available for subscription under the Open Offer.

The share certificates for the Offer Shares in respect of valid acceptance of the Offer Shares on the Application Forms will be despatched to the addresses of the applicants (as shown on the register of members of the Company) by ordinary post on 20 June 2011 at the relevant Shareholders’ own risks.

As a result of the under-subscription of the Open Offer, the Underwriter is required to subscribe or procure subscription for the 118,581,853 Offer Shares, representing approximately 20.15% of the total number of Offer Shares under the Open Offer. In this regard, the Underwriter, the sub-underwriters and the subscribers procured by them, who are independent parties and not connected with the Company or any of its subsidiaries or any of their respective associates (as defined under the Listing Rules) had subscribed for 118,581,853 Offer Shares.

Dealings in the Offer Shares are expected to commence on GEM at 9:00 a.m. on 22 June 2011.

## SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge and information, the shareholding structure of the Company immediately before and after completion of the Open Offer is as follows:

	Immediately before completion of the Open Offer		Immediately after completion of the Open Offer	
	<i>No. of Shares</i>	<i>Approximate percentage</i>	<i>No. of Shares</i>	<i>Approximate percentage</i>
<b>Director</b>				
Dr. Chan Chung ( <i>Note 1</i> )	19,224,452	3.27%	38,448,904	3.27%
Mr. Chan Wai Kwong, Peter ( <i>Note 1</i> )	108,036	0.02%	216,072	0.02%
<b>Substantial Shareholders</b>				
China Oil	177,785,861	30.21%	355,571,722	30.21%
Vodatel Information Limited ( <i>Note 2</i> )	77,709,696	13.20%	155,419,392	13.20%
<b>Public Shareholders</b>				
Underwriter, sub-underwriters and the subscribers procured by them to take up the Offer Shares ( <i>Note 3</i> )	–	–	118,581,853	10.07%
Other public Shareholders	<u>313,739,383</u>	<u>53.30%</u>	<u>508,896,913</u>	<u>43.23%</u>
<b>Total</b>	<u><u>588,567,428</u></u>	<u><u>100.00%</u></u>	<u><u>1,177,134,856</u></u>	<u><u>100.00%</u></u>

Notes:

1. Dr. Chan Chung and Mr. Chan Wai Kwong, Peter are executive Directors.
2. Vodatel Information Limited is a direct and wholly owned subsidiary of VDT Mobile Holdings Limited which is a direct and wholly owned subsidiary of Vodatel Holdings Limited, a direct and wholly owned subsidiary of Vodatel Networks Holdings Limited (“**Vodatel**”). Vodatel is a company incorporated in Bermuda whose shares are listed on GEM (Stock code: 8033).
3. The Underwriter (for itself and on behalf of the sub-underwriter(s)) has undertaken to the Company that: (i) the Underwriter and/or the sub-underwriter(s) will not trigger a mandatory offer obligation under Rule 26 of the Hong Kong Code on Takeovers and Mergers on the part of the Underwriter and/or the sub-underwriter(s) in respect of performing its/their obligations under the Underwriting Agreement; and (ii) none of the Underwriter, the sub-underwriter and the subscribers procured by them will be a substantial Shareholder holding 10% or more shareholding in the Company.

# ADJUSTMENTS TO THE OPTIONS, CONVERTIBLE BONDS AND WARRANTS

## Options

Immediately before completion of the Open Offer, there were 330,000 and 250,000 Share Options outstanding which were granted to consultant and eligible employees of the Company or its subsidiaries under the Pre-IPO Share Option Scheme and Share Option Scheme respectively, entitling the holders thereof to subscribe for a total of 580,000 new Shares. As a result of completion of the Open Offer and pursuant to the terms and conditions of the Pre-IPO Share Option Scheme and Share Option Scheme, the requirements of Chapter 23 of the GEM Listing Rules and the letter issued by the Stock Exchange dated 5 September 2005 containing, among other things, supplementary guidance on Rule 23.03(13) of the GEM Listing Rules (the “**Supplementary Guidance**”), the exercise price of, and the number of, Share Options will be adjusted with effect from 20 June 2011 in the following manner:

<b>Date of grant</b>	<b>Number of Shares which would be issued upon the exercise of the outstanding Share Options before completion of the Open Offer</b>	<b>Number of Shares which would otherwise fall to be issued upon the exercise of the outstanding Share Options after completion of the Open Offer</b>	<b>Exercise price of Share Options before completion of the Open Offer</b>	<b>Adjusted exercise price of Share Options after completion of the Open Offer</b>
27 March 2003	300,000	376,952	HK\$0.114	HK\$0.091
9 February 2007	10,000	12,565	HK\$0.090	HK\$0.078
12 February 2008	20,000	25,130	HK\$0.191	HK\$0.152
17 February 2010	250,000	314,126	HK\$0.134	HK\$0.107

The auditors of the Company have reviewed the above adjustments and have certified in writing that the adjustments have been made in accordance with the terms and conditions of the Pre-IPO Share Option Scheme and Share Option Scheme and in compliance with the GEM Listing Rules and the Supplementary Guidance.

## Convertible Bonds

Immediately before completion of the Open Offer, there were Convertible Bonds in the principal amount of HK\$33,000,000, entitling the holders thereof to subscribe for 136,363,636 new Shares at conversion price of HK\$0.242 per conversion share. As a result of completion of the Open Offer and pursuant to the terms and conditions of the instrument constituting the Convertible Bonds, the conversion price of the Convertible Bonds will be adjusted from HK\$0.242 to HK\$0.216, with effect from 20 June 2011.

The auditors of the Company have reviewed the above adjustments and have certified in writing that the adjustments have been made in accordance with the terms and conditions of the instrument constituting the Convertible Bonds.

## **Warrants**

Immediately before completion of the Open Offer, there were 100,000,000 Warrants outstanding, entitling the holders thereof to subscribe for up to the amount of HK\$22,200,000 for new Shares. As a result of completion of the Open Offer and pursuant to the terms and conditions of the Warrant instrument, the exercise price of the Warrants will be adjusted from HK\$0.222 to HK\$0.198, with effect from 20 June 2011.

The auditors of the Company have reviewed the above adjustments and have certified in writing that the adjustments have been made in accordance with the terms and conditions of the Warrant instrument.

## **Director's Option**

The exercise price of the Director's Option will not be adjusted.

By Order of the Board  
**Mobile Telecom Network (Holdings) Limited**  
**Mr. Li Siu Bun**  
*Company Secretary*

Hong Kong, 17 June 2011

*As at the date of this announcement, the Board comprises five executive Directors, namely, Dr. Chan Chung (Chairman), Mr. Chan Wai Kwong, Peter, Mr. Siu King Nin, Peter, Mr. Choi Ho Yan and Mr. So Haw, Herman; and three independent non-executive Directors, namely, Mr. Chiu Wai Piu, Mr. Cheung Kwan Hung, Anthony and Mr. Heung Chee Hang, Eric.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the "Latest Company Announcements" page for at least seven days from the day of its publication and on the Company's website at [www.mtlnet.com](http://www.mtlnet.com).*