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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)

ADJUSTMENTS TO THE CONVERTIBLE BONDS AND WARRANTS

The Board announces that as the adjustments to the Conversion Price and the Exercise Price upon completion of the Open Offer may not have fully taken into account the dilutive effects of the Open Offer, (i) the Conversion Price has been adjusted to HK\$0.163 per conversion share pursuant to the terms and conditions of the instrument constituting the Convertible Bonds; and (ii) the Exercise Price has been adjusted to HK\$0.150 per new Share pursuant to the terms and conditions of the Warrant instrument, with effect from 20 June 2011.

Reference is made to the announcements of the Company dated 4 April 2011 and 17 June 2011 and the prospectus (the “**Prospectus**”) of the Company dated 25 May 2011. Unless the context otherwise requires, terms used in this announcement shall have the same meanings as those defined in the Prospectus.

ADJUSTMENTS TO THE CONVERTIBLE BONDS AND WARRANTS

Immediately before completion of the Open Offer, there were Convertible Bonds in the principal amount of HK\$33,000,000, entitling the holders (the “**Bondholders**”) thereof to subscribe for 136,363,636 new Shares at conversion price (the “**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 was adjusted from HK\$0.242 to HK\$0.216, with effect from 20 June 2011.

Immediately before completion of the Open Offer, there were 100,000,000 Warrants outstanding, entitling the holders (the “**Warrantholders**”) 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 (the “**Exercise Price**”) of the Warrants was adjusted from HK\$0.222 to HK\$0.198, with effect from 20 June 2011.

* *For identification purpose only*

As the adjustments to the Conversion Price and the Exercise Price upon completion of the Open Offer may not have fully taken into account the dilutive effects of the Open Offer, (i) the Conversion Price has been adjusted to HK\$0.163 per conversion share pursuant to the terms and conditions of the instrument constituting the Convertible Bonds; and (ii) the Exercise Price has been adjusted to HK\$0.150 per new Share and the number of new Shares subject to the Warrants has been adjusted to 148,000,000 pursuant to the terms and conditions of the Warrant instrument, with effect from 20 June 2011.

Grand Vinco Capital Limited has reviewed the adjustments to the Conversion Price and the Exercise Price and has certified in writing that such adjustments have been made in accordance with the terms and conditions of the instrument constituting the Convertible Bonds and the Warrant Instrument respectively.

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

Hong Kong, 5 August 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 on the "Latest Company Announcements" page for at least seven days from the date of its publication and on the Company's website at www.mtelnet.com.