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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)**

### **DISCLOSEABLE TRANSACTION**

#### **THE AGREEMENT**

On 28 September 2011, Mr Ke, Golden Kingtex and Jun Feng entered into the Agreement pursuant to which Golden Kingtex has agreed to subscribe and Jun Feng has agreed to allot and issue the Subscription Shares for a total consideration of HK\$10,000,000 and Golden Kingtex has agreed to purchase and Mr Ke has agreed to sell the Sale Shares for a total consideration of HK\$10,000,000.

The Subscription Consideration of HK\$10,000,000 for the subscription of the Subscription Shares shall be satisfied by Golden Kingtex in the following manner:

- (a) as to HK\$2,000,000 of the Subscription Consideration was paid by Golden Kingtex to Jun Feng in cash as the Deposit and part payment of the Subscription Consideration within seven days of the MOU; and
- (b) the balance of HK\$8,000,000 to be paid by Golden Kingtex to Jun Feng in cash at Completion.

The Sale Consideration of HK\$10,000,000 for the sale and purchase of the Sale Shares shall be satisfied by Golden Kingtex by procuring the Company to issue the Convertible Bonds at Completion.

The Proposed Subscription and the Proposed Acquisition constitute a discloseable transaction on the part of the Company under the GEM Listing Rules.

\* For identification purpose only

Reference is made to the announcement of the Company dated 19 July 2011 in respect of the possible subscription of approximately 16.67% and acquisition of approximately 16.67% of the entire issued share capital of Jun Feng as enlarged by the subscription.

On 19 July 2011, the Board announced that Golden Kingtex entered into the MOU with Mr Jiang, Mr Li, Ke Lixiong and Jun Feng, to subscribe new JF Shares representing approximately 16.67% and acquire existing JF Shares representing approximately 16.67% of the entire issued share capital of Jun Feng as enlarged by the subscription. Upon further negotiation between the relevant parties, Golden Kingtex entered into the Agreement with Jun Feng and Mr Ke to subscribe for the Subscription Shares and acquire the Sale Shares on 28 September 2011.

## **THE AGREEMENT**

Date: 28 September 2011 (after trading hours)

Parties: (1) Mr Ke  
(2) Golden Kingtex  
(3) Jun Feng

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of Mr Ke, Jun Feng and its ultimate beneficial owners is a third party independent of the Company and its connected persons.

### **Asset to be acquired**

Pursuant to the Agreement, Jun Feng has agreed to allot and issue and Golden Kingtex has agreed to subscribe the Subscription Shares, representing 20% of the issued share capital of Jun Feng as at the date of this announcement and approximately 16.67% of the issued share capital of Jun Feng as enlarged by the allotment and issue of the Subscription Shares. Mr Ke has agreed to sell and Golden Kingtex has agreed to acquire the Sale Shares, representing 20% of the issued share capital of Jun Feng as at the date of this announcement and approximately 16.67% of the issued share capital of Jun Feng as enlarged by the allotment and issue of the Subscription Shares.

### **Consideration**

The Subscription Consideration of HK\$10,000,000 for the subscription of the Subscription Shares shall be satisfied by Golden Kingtex in the following manner:

- (a) as to HK\$2,000,000 of the Subscription Consideration was paid by Golden Kingtex to Jun Feng in cash as the Deposit and part payment of the Subscription Consideration within seven days of the MOU; and
- (b) the balance of HK\$8,000,000 to be paid by Golden Kingtex to Jun Feng in cash at Completion.

The Sale Consideration of HK\$10,000,000 for the sale and purchase of the Sale Shares shall be satisfied by Golden Kingtex by procuring the Company to issue the Convertible Bonds at Completion.

The Subscription Consideration and the Sale Consideration were determined with reference to (i) the unaudited consolidated net liabilities of Jun Feng as at 31 July 2011 of HK\$8,752,343; and (ii) the capitalisation of the shareholders' loan due by Jun Feng in the amount of HK\$51,128,987 on 21 September 2011 which resulted in the allotment and issue of 45,000,000 JF Shares at the issue price of approximately HK\$1.136. Taking into account the capitalisation of the shareholders' loan and based on figures as set out in the unaudited consolidated financial statements of Jun Feng as at 31 July 2011, Jun Feng will have a net asset value per JF Share of approximately HK\$0.848. The Subscription Consideration and the Sale Consideration were arrived at after arm's length negotiations between the parties to the Agreement. The Directors consider that the terms and conditions of the Proposed Subscription and the Proposed Acquisition to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

The cash for the Subscription Consideration will be paid by the Group by internal resources of the Group.

### **Conditions**

Completion shall be conditional upon:

- (a) Golden Kingtex being reasonably satisfied with the results of the due diligence review to be conducted under the Agreement;
- (b) all necessary consents, licences and approvals required to be obtained on the part of Mr Ke and Jun Feng in respect of the Agreement and the transactions contemplated thereunder having been obtained and remain in full force and effect;
- (c) all necessary consents, licences and approvals required to be obtained on the part of Golden Kingtex in respect of the Agreement and the transactions contemplated thereunder having been obtained and remain in full force and effect;
- (d) the PRC legal opinion (in form and substance satisfactory to Golden Kingtex) to be issued by a firm of PRC legal advisers acceptable to Golden Kingtex covering such matters which are relevant to the Agreement and the transactions contemplated thereunder being obtained;
- (e) warranties given by Mr Ke remaining true and accurate in all respects;
- (f) warranties given by Golden Kingtex remaining true and accurate in all respects; and
- (g) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Conversion Shares.

Golden Kingtex may waive conditions (a) and (e) above and Mr Ke may waive condition (f) above. Conditions (b), (c), (d) and (g) are incapable of being waived. If the conditions have not been fulfilled (or waived by Golden Kingtex or Mr Ke as the case may be) on or before 4:00 p.m. on 30 October 2011, or such later date as Mr Ke, Golden Kingtex and Jun Feng may agree, the Agreement shall cease and determine, Jun Feng shall within seven (7) Business Days from the cessation and termination of the Agreement refund the Deposit to Golden Kingtex without interest, and none of the parties to the Agreement shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

## **Completion**

Completion shall take place at 4:00 p.m. on the date falling on the third Business Day after the fulfilment (or waiver) of the conditions or such other date as may be agreed between Mr Ke, Golden Kingtex and Jun Feng.

## **Call options**

Upon Completion, each of Mr Ke, Mr Li and Mr Jiang shall enter into an option deed with Golden Kingtex, pursuant to which each of Mr Ke, Mr Li and Mr Jiang has granted a right for Golden Kingtex to call upon the sale of 5,600,000 JF Shares, 2,500,000 JF Shares and 2,500,000 JF Shares. The 10,600,000 JF Shares exercisable under the Options represents 21.2% of the issued share capital of Jun Feng as at the date of this announcement and approximately 17.67% of the issued share capital of Jun Feng as enlarged by the allotment and issue of the Subscription Shares.

No option premium is payable upon the grant of the Options. The Options are exercisable within one month commencing from 1 January 2013. The exercise price per JF Share of the Options shall be the audited consolidated net asset value per JF Share as at 30 September 2012.

Exercise of the Options and completion of the sale and purchase of the JF Shares under the Options shall be conditional upon and subject to:

- (a) all necessary consents and approvals required to be obtained on the part of each of Mr Ke, Mr Li and Mr Jiang in respect of each of the Option Deeds and the transactions contemplated thereunder having been obtained;
- (b) all necessary consents and approvals required to be obtained on the part of Golden Kingtex in respect of each of the Option Deeds and the transactions contemplated thereunder having been obtained; and
- (c) if necessary, the passing by the shareholders of the Company at a general meeting of the Company to be convened and held of an ordinary resolution to approve the exercise of the each of the Options and the transactions contemplated thereunder.

Further announcement in respect of the exercise of the Options will be made by the Company as and when appropriate in accordance with the GEM Listing Rules.

## Profit Guarantee

Upon Completion, Jun Feng, Mr Ke, Golden Kingtex, Mr Li and Mr Jiang shall enter into the Shareholders Agreement. Pursuant to the Shareholders Agreement, each of Mr Ke, Mr Li and Mr Jiang shall provide a profit guarantee to Golden Kingtex that the audited consolidated net profits after taxation and extraordinary or exceptional items of the Jun Feng Group for the year ending 30 September 2012 shall not be less than HK\$10,000,000 (the “**Guaranteed Profit**”) (the “**Profit Guarantee**”). In the event the actual audited consolidated net profits after tax and any extraordinary or exceptional items of Jun Feng Group for the year ending 30 September 2012 (the “**Actual Profit**”) as shown in the audited consolidated financial statements of Jun Feng for the year ending 30 September 2012 is less than the Guaranteed Profit, then:

- (a) Mr Ke shall transfer such number of JF Shares to Golden Kingtex at the aggregate consideration of HK\$1.00 calculated as follows:

$$A = \frac{(\text{Guaranteed Profit} - \text{Actual Profit})}{6}$$

where A is the total number of Shares to be transferred by Mr Ke to Golden Kingtex;

- (b) Mr Li shall transfer such number of JF Shares to Golden Kingtex at the aggregate consideration of HK\$1.00 calculated as follows:

$$B = \frac{(\text{Guaranteed Profit} - \text{Actual Profit})}{12}$$

where B is the total number of Shares to be transferred by Mr Li to Golden Kingtex; and

- (c) Mr Jiang shall transfer such number of JF Shares to Golden Kingtex at the aggregate consideration of HK\$1.00 calculated as follows:

$$C = \frac{(\text{Guaranteed Profit} - \text{Actual Profit})}{12}$$

where C is the total number of Shares to be transferred by Mr Jiang to Golden Kingtex.

The performance of the obligations of Mr Ke, Mr Li and Mr Jiang in relation to the Profit Guarantee is secured by the share charges on 1,666,667 JF Shares, 833,333 JF Shares and 833,333 JF Shares made by Mr Ke, Mr Li and Mr Jiang respectively in favour of Golden Kingtex.

Further announcement will be made by the Company in the event that the Actual Profit is less than the Guaranteed Profit.

## **TERMS OF CONVERTIBLE BONDS**

The terms of the Convertible Bonds have been negotiated on an arm's length basis and the principal terms of which are summarised below:

### **Issuer**

The Company

### **Principal amount**

HK\$10,000,000

### **Interest**

The Convertible Bonds will not bear any interest.

The Directors consider that a non-interest bearing term on the Convertible Bonds will be to the benefit of the Company. As such, Golden Kingtex negotiated with Mr Ke on such basis and the non-interest bearing term was subsequently agreed by Mr Ke.

### **Maturity**

Unless previously redeemed, converted or cancelled pursuant to the terms of the Convertible Bonds, any amount of the Convertible Bonds which remains outstanding on the Maturity Date shall be redeemed at its then outstanding principal amount.

### **Conversion**

The Bondholder may convert the whole or part (in multiples of HK\$500,000) of the principal amount of the Convertible Bonds into Conversion Shares at the Conversion Price from the date of issue of the Convertible Bonds up to the Maturity Date.

### **Conversion Price**

The Conversion Price is HK\$0.145 per Conversion Share subject to the adjustment. The events for the adjustments of the Conversion Price are as follows:

- (a) an alteration of the nominal amount of the Shares by reason of any consolidation or subdivision;
- (b) an issue (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account, contributed surplus account or capital redemption reserve fund);

- (c) a capital distribution being made by the Company, whether on a reduction of capital or otherwise, to holders of the Shares in their capacity as such;
- (d) an offer or grant being made by the Company to holders of Shares by way of rights or of options or warrants to subscribe for new Shares at a price which is less than 80% of the market price;
- (e) an issue wholly for cash being made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per Share initially receivable for such securities is less than 80% of the market price, or the terms of any such rights of conversion or exchange or subscription attached to any such securities being modified so that the said total effective consideration per Share initially receivable for such securities is less than 80% of the market price; and
- (f) an issue being made by the Company wholly for cash of Shares at a price per Share less than 80% of the market price.

The Conversion Price represents (i) a discount of approximately 5.84% to the closing price of HK\$0.154 per Share as quoted on the Stock Exchange on 28 September 2011, being the date of the Agreement; (ii) the average of the closing prices of approximately HK\$0.145 per Share as quoted on the Stock Exchange for the last five trading days up to and including 28 September 2011, being the date of the Agreement; and (iii) a premium of approximately 302.78% over the net asset value per Share of HK\$0.036 based on the audited consolidated financial statements of the Group as at 31 March 2011 and the number of Shares in issue as at the date of this announcement.

The Conversion Price was determined by Mr Ke and Golden Kingtex on an arm's length basis with reference to the average of the closing prices as quoted on the Stock Exchange for the last five trading days up to and including 28 September 2011. The Directors (including the independent non-executive Directors) consider that the Conversion Price is fair and reasonable.

### **Conversion Shares**

Assuming there is an immediate exercise in full of the conversion rights attaching to the Convertible Bonds in the aggregate principal amount of HK\$10,000,000 at the Conversion Price by the Bondholder(s), the Company will issue an aggregate of 68,965,517 new Shares, representing (i) approximately 5.86% of the existing issued share capital of the Company; and (ii) approximately 5.53% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares.

The nominal value of the Conversion Shares is US\$689,655.17.

The Conversion Shares will be allotted and issued pursuant to the Current General Mandate. The maximum number of Shares that can be issued under the Current General Mandate is 235,426,971 Shares. As at the date of this announcement, (i) save for the Convertible Bonds, no portion of the Current General Mandate was utilised; (ii) the Company has not allotted and issued any Shares pursuant to the Current General Mandate; and (iii) the Current General Mandate is sufficient for the allotment and issue of the Conversion Shares. The Company has not repurchased any Shares within the last 30 days prior to the date of this announcement.



In the event that following any adjustments of the Conversion Price made in accordance with the terms and conditions of the Convertible Bonds, the number of the Conversion Shares (the “**Excess Conversion Shares**”) which may fall to be allotted and issued pursuant to the exercise of the conversion rights attaching to the Convertible Bonds will exceed the authorisation under the Current General Mandate, the Company shall (i) convene and hold as soon as reasonably practicable and in any event, within 30 days from the date of the notification to the Bondholder(s) of such adjustment of the Conversion Price (the “**Approval Period**”) an extraordinary general meeting (the “**EGM**”) of the Shareholders to approve the grant of a specific mandate to the Directors to allot and issue the Excess Conversion Shares; (ii) apply to the Stock Exchange for the approval of the listing of and permission to deal in, the Excess Conversion Shares as soon as reasonably practicable and in any event within three days from the date of the notice of the EGM; and (iii) procure that the listing of and permission to deal in, the Excess Conversion Shares be granted by the Stock Exchange within the Approval Period. In the event that the last date of the Approval Period shall fall on a date beyond the Maturity Date, the Maturity Date shall be extended by the corresponding number of days by which such last date of the Approval Period shall fall beyond the subscription period.

### **Early redemption**

The Company may at any time before the Maturity Date by serving at least ten days’ prior written notice on the Bondholder(s) with the total amount proposed to be redeemed from the Bondholder(s) specified therein, redeem the Convertible Bonds (in whole or in part) at 100% of the principal amount of Convertible Bonds.

### **Ranking**

The Conversion Shares, when allotted and issued, will rank pari passu in all respects with the then existing issued Shares.

### **Status of the Convertible Bonds**

The Convertible Bonds constitute a direct, general, unconditional and unsecured obligation of the Company and rank pari passu and rateably without preference (with the exception of obligations in respect of taxes) equally with all other present and/or future unsecured and unsubordinated obligations of the Company.

### **Transferability**

With the prior notification to the Company, the Convertible Bonds may be transferred or assigned by the Bondholder(s) to any party other than a connected person of the Company.

### **Voting rights**

The Convertible Bonds do not confer any voting rights at any meetings of the Company.

### **Application for listing**

No application will be made by the Company for the listing of the Convertible Bonds. Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares.



## INFORMATION ON JUN FENG

Jun Feng is principally engaged in investment holding.

As at the date of this announcement, Jun Feng owns all the registered and paid up capital of the PRC Company. The PRC Company is principally engaged in technology development, design, manufacturing and selling of liquid crystal display modules.

According to the unaudited consolidated financial statements of Jun Feng for the year ended 31 March 2010, which is prepared in accordance with generally accepted accounting principles in Hong Kong, Jun Feng Group has no turnover and the net loss before and after tax and extraordinary items was approximately HK\$212,000 and approximately HK\$212,000 respectively.

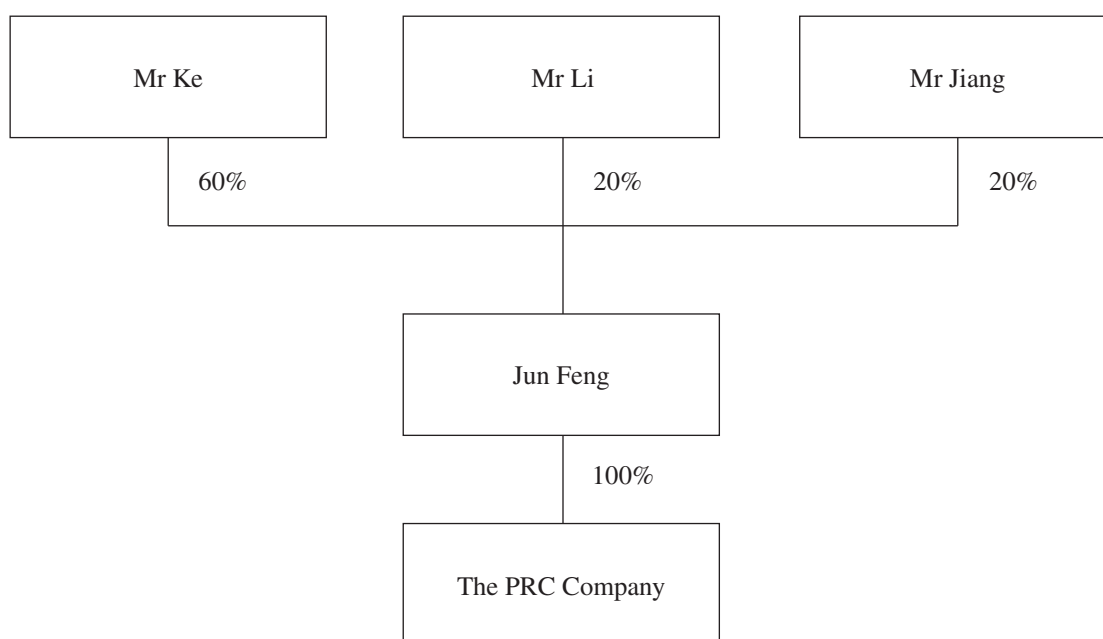
According to the unaudited consolidated financial statements of Jun Feng for the year ended 31 March 2011, which is prepared in accordance with generally accepted accounting principles in Hong Kong, the turnover and the net loss before and after tax and extraordinary items of Jun Feng Group was approximately HK\$4,094,000, approximately HK\$3,205,000 and approximately HK\$3,205,000 respectively.

According to the unaudited consolidated financial statements of Jun Feng for the four months ended 31 July 2011, which is prepared in accordance with generally accepted accounting principles in Hong Kong, the turnover and the net loss before and after tax and extraordinary items of Jun Feng Group was approximately HK\$2,446,000, approximately HK\$12,927,000 and approximately HK\$12,927,000 respectively. The unaudited net liabilities of Jun Feng Group was approximately HK\$8,752,343 as at 31 July 2011.

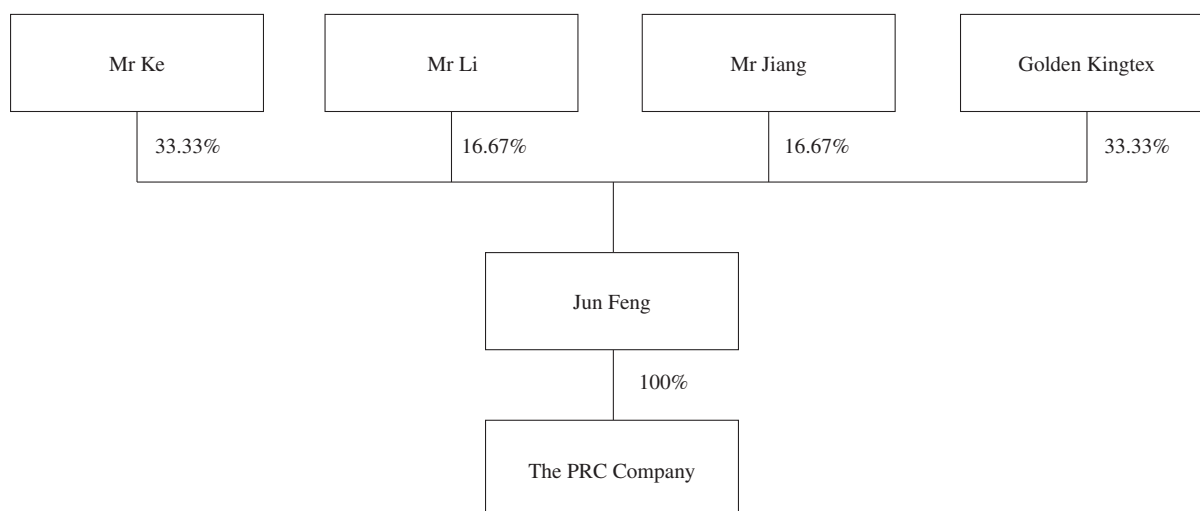
### Group structure of Jun Feng

The following charts show the group structure of Jun Feng Group (i) as at the date of this announcement; (ii) immediately after Completion; and (iii) immediately after Completion and the exercise of the Options in full:

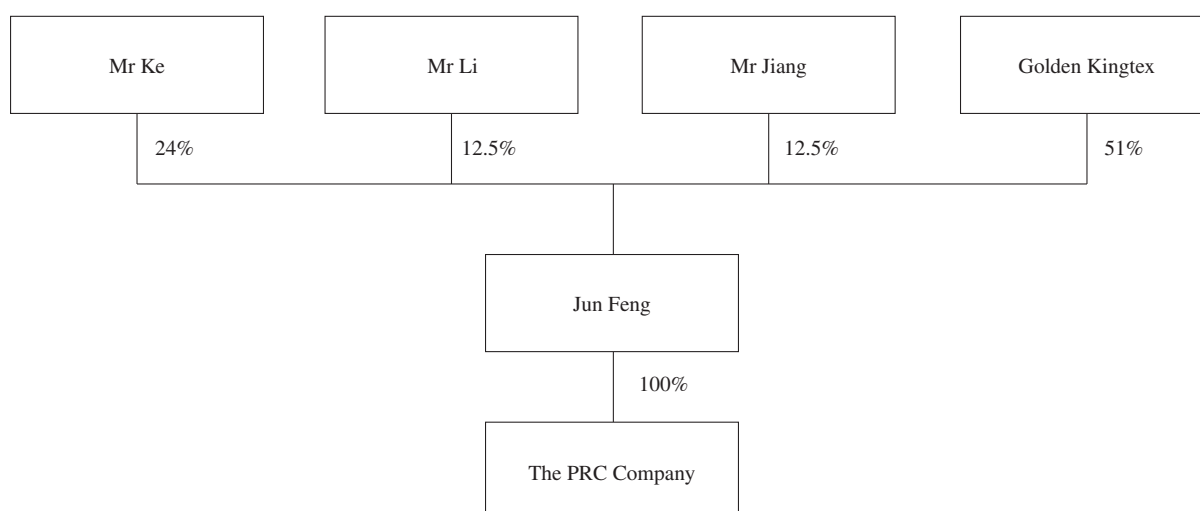
#### *As at the date of this announcement*



### ***Immediately after Completion***



### ***Immediately after Completion and the exercise of the Options in full***



## **REASON FOR THE PROPOSED SUBSCRIPTION AND THE PROPOSED ACQUISITION**

The Group is engaged in development, provision and sales of mobile internet communication telecommunications and related services.

The Directors have been identifying further investment opportunities in order to diversify its existing business and maximise the return of the Shareholders. The Directors consider that the Proposed Subscription and the Proposed Acquisition represents a good opportunity for the Group to tap into the liquid crystal display industry and also allow it to diversify its existing businesses. The Group will also identify and invest on possible internet and communication services from time to time, with the possible internal and outside source of fund, where it is available.

Based on the above, the Board is of the view that the terms of the Proposed Subscription and the Proposed Acquisition are fair and reasonable and the Proposed Subscription and the Proposed Acquisition are in the interests of the Company and the Shareholders as a whole.

## EFFECTS OF THE PROPOSED SUBSCRIPTION AND THE PROPOSED ACQUISITION ON SHAREHOLDING STRUCTURE

Set out below is a summary of the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the conversion of the Convertible Bonds in full:

Shareholders	As at the date of this announcement		Immediately after the conversion of the Convertible Bonds in full	
	<i>Number of Shares</i>	<i>Approximate percentage</i>	<i>Number of Shares</i>	<i>Approximate percentage</i>
<b>Directors</b>				
Dr Chan Chung	38,448,904	3.26	38,448,904	3.08
Mr Chan Wai Kwong, Peter	216,072	0.02	216,072	0.02
Sub-total:	<u>38,664,976</u>	<u>3.28</u>	<u>38,664,976</u>	<u>3.10</u>
<b>Substantial Shareholders</b>				
China Oil Resources Group Limited	355,571,722	30.18	355,571,722	28.51
Vodatel Information Limited	155,419,392	13.19	155,419,392	12.46
Sub-total	<u>510,991,114</u>	<u>43.37</u>	<u>510,991,114</u>	<u>40.97</u>
<b>Public Shareholders</b>				
Mr Ke	–	–	68,965,517	5.53
Other public shareholders	628,478,766	53.35	628,478,766	50.40
Sub-total	<u>628,478,766</u>	<u>53.35</u>	<u>697,444,283</u>	<u>55.93</u>
<b>Total</b>	<u><u>1,178,134,856</u></u>	<u><u>100.00</u></u>	<u><u>1,247,100,373</u></u>	<u><u>100.00</u></u>

## GEM LISTING RULES IMPLICATIONS

The Proposed Subscription and the Proposed Acquisition constitute a discloseable transaction on the part of the Company under the GEM Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Agreement”	the agreement dated 28 September 2011 and entered into among Mr Ke, Golden Kingtex and Jun Feng in relation to the subscription of the Subscription Shares and the sale and purchase of the Sale Shares
“associates”	has the meaning ascribed to it in the GEM Listing Rules
“Board”	the board of Directors
“Bondholder(s)”	the holder(s) of the Convertible Bonds
“Company”	Mobile Telecom Network (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability the issued shares of which are listed on GEM
“Completion”	completion of the subscription of the Subscription Shares and the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Agreement
“Completion Date”	the date of Completion
“connected person”	has the meaning ascribed to it in the GEM Listing Rules
“Convertible Bonds”	the convertible bonds in the principal amount of HK\$10,000,000, to be issued by the Company in favour of Mr Ke in accordance with the terms and conditions of the Agreement
“Conversion Price”	the initial conversion price of HK\$0.145 per Conversion Share, subject to adjustments, pursuant to the terms of the Convertible Bonds
“Conversion Shares”	the Shares to be allotted and issued upon the exercise of the conversion rights in respect of the Convertible Bonds
“Current General Mandate”	the general mandate granted to the Directors to allot, issue and deal with Shares at the annual general meeting of the Company held on 1 August 2011
“Deposit”	the refundable deposit and payment of the Consideration in the sum of HK\$2,000,000 payable by Golden Kingtex to the Company on the date of the MOU
“Director(s)”	the director(s) of the Company

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Golden Kingtex”	Golden Kingtex Limited, a company incorporated in the British Virgin Islands with limited liability, a wholly owned subsidiary of the Company and the subscriber of the Subscription Shares and the purchaser of the Sale Shares
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“JF Shares”	shares of HK\$1.00 each in the share capital of Jun Feng
“Jun Feng”	Jun Feng Enterprise (HK) Limited, a company incorporated in Hong Kong with limited liability and the issuer of the Subscription Shares
“Jun Feng Group”	Jun Feng and the PRC Company
“Maturity Date”	the date of maturity of the Convertible Bonds
“MOU”	the non-legally binding memorandum of understanding dated 19 July 2011 entered into between Mr Li, Mr Jiang, Ke Lixiong, Golden Kingtex and Jun Feng setting out the basic understanding in relation to, among other matters, the Proposed Acquisition and the Proposed Subscription
“Mr Jiang”	Mr Jiang Heng Liang
“Mr Ke”	Mr Ke Lizhi, being the vendor of the Sale Shares
“Mr Li”	Mr Li Jianhong
“Options”	the options granted by each of Mr Ke, Mr Li and Mr Jiang to Golden Kingtex as contemplated under the Option Deeds

“Option Deeds”	(i) the option deed entered into between Mr Ke and Golden Kingtex in relation to the grant of right to Golden Kingtex to call upon the sale of 5,600,000 JF Shares; (ii) the option deed entered into between Mr Li and Golden Kingtex in relation to the grant of right to Golden Kingtex to call upon the sale of 2,500,000 JF Shares; and (iii) the option deed entered into between Mr Jiang and Golden Kingtex in relation to the grant of right to Golden Kingtex to call upon the sale of 2,500,000 JF Shares
“PRC”	the People’s Republic of China
“PRC Company”	郴州駿峰微電子有限公司 (Chenzhou Jun Feng Micro Electronics Company Limited <sup>#</sup> ), a company established in the PRC and is a wholly owned subsidiary of Jun Feng
“Proposed Acquisition”	the proposed acquisition of the Sale Shares by Golden Kingtex subject to and upon the terms and conditions of the Agreement
“Proposed Subscription”	the proposed subscription of the Subscription Shares by Golden Kingtex subject to and upon the terms and conditions of the Agreement
“Sale Consideration”	the consideration to be satisfied by Golden Kingtex to Mr Ke for the sale and purchase of the Sale Shares
“Sale Shares”	10,000,000 JF Shares, which is legally and beneficially owned by Mr Ke
“Shareholders Agreement”	the shareholders’ agreement to be entered into among Jun Feng, Mr Ke, Golden Kingtex, Mr Li and Mr Jiang in relation to the rights and obligations of the shareholders of Jun Feng and the arrangements between them and Jun Feng
“Shareholders”	holders of the Shares
“Shares”	ordinary shares of US\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Consideration”	the consideration to be satisfied by Golden Kingtex to Jun Feng for the subscription of the Subscription Shares

“Subscription Shares”	10,000,000 new JF Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America

# *The English translation of Chinese names or words in this announcement, where indicated, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

By order of the Board  
**Mobile Telecom Network (Holdings) Limited**  
**Siu King Nin, Peter**  
*Executive Director*

Hong Kong, 28 September 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 7 days from the date of its publication and on the Company’s website at [www.mtelnet.com](http://www.mtelnet.com).*