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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)**

**PROFIT WARNING**  
**AND**  
**RESUMPTION OF TRADING**

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules.

The Board would like to inform the shareholders of the Company and potential investors that based on the unaudited consolidated annual results of the Group for the financial year ended 31 March 2010, the Group may post a loss as compared to a profit for the last financial year ended 31 March 2009.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

Trading in the shares of the Company was suspended at the request of the Company from 9:30 a.m. on 24 May 2010 pending the publication of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company from 9:30 a.m. on 1 June 2010.

This announcement is made by Mobile Telecom Network (Holdings) Limited (the “Company”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

The board of directors of the Company (the “Board”) would like to inform the shareholders of the Company and potential investors that based on the unaudited consolidated annual results of the Company and its subsidiaries (the “Group”) for the financial year ended 31 March 2010, the Group may post a loss as compared to a profit for the last financial year ended 31 March 2009. The possible loss for the financial year ended 31 March 2010 is mainly due to the relatively weak performance in provision of mobile value added services amid the global economic recession during the year.

This profit warning announcement is only based on the preliminary assessment by the Board in accordance with the unaudited consolidated management accounts of the Group and is not based on any figures or information which has been audited by the Company’s auditors. Details of the Group’s performance will be disclosed in the result announcement of the Group for the financial year ended 31 March 2010 in due course.

\* *For identification purpose only*

This profit warning constitutes a profit forecast for the purpose of Rule 10 of the Hong Kong Code on Takeovers and Mergers (the “Takeovers Code”) and therefore the profit warning has been reported on in accordance with Rule 10 of the Takeovers Code. The letters from AsiaVest Partners Limited, the financial adviser to the Company, and Ting Ho Kwan & Chan, the auditors of the Company, both dated 31 May 2010, have been lodged with the Executive.

Set out below are extracts from the letters lodged with the Executive.

**Letter from Ting Ho Kwan & Chan, the auditors of the Company:**

“We have performed a reasonable assurance engagement on the principal accounting policies adopted and the calculations used in arriving at a projected loss position of Mobile Telecom Network (Holdings) Limited (the “Company”) for the year ended 31 March 2010 (the “Forecast”), in connection with the mandatory conditional cash offers by Taifook Securities Company Limited for and on behalf of China Oil Resources Group Limited for all the issued shares and for cancellation of all outstanding share options of the Company other than those already owned by China Oil Resources Group Limited and parties acting in concert with it (the “Offers”). The Forecast is stated in the profit warning announcement on 31 May 2010 (the “Announcement”).

In our opinion, based on the foregoing, so far as the accounting policies and calculations are concerned, the Forecast has been properly compiled on a basis consistent with the accounting policies adopted by the Group as set out in the audited consolidated annual financial statements of the Company for the year ended 31 March 2009.

We hereby confirm that we have given and have not withdrawn our written consent to the publication of a copy of our letter relating to the Forecast and the references to our name in the form and context in which they appear.”

**Letter from AsiaVest Partners Limited, the financial adviser of the Company:**

“We have reviewed the above information and have discussed with the directors the bases upon which the financial information have been prepared. We have also considered the letter by Ting Ho Kwan & Chan, CPA, the auditors of the Company regarding the procedures performed by them in respect of the accounting policies and calculations adopted by the directors in preparation of the projected financial information. The preparation of such financial information is the sole responsibility of and has been approved by the directors.

Based on the above, we are satisfied that the projected financial information in the profit warning announcement has been prepared by the directors of the Company after due care and consideration.

Pursuant to Rule 10.4 of the Hong Kong Code on Takeovers and Mergers, we hereby confirm that we have given and have not withdrawn our written consent to the inclusion and publication of our letter and the references to our name in the form and context in which they appear.”

The full text of these two letters has been submitted to the Executive in respect of the profit warning announcement and shall be contained in the composite document to be jointly dispatched by the Company, China Oil Resources Group Limited and PetroAsian Energy Holdings Limited in due course.

**Shareholders and potential investors are therefore advised to exercise caution when dealing in the shares of the Company.**

## **RESUMPTION OF TRADING**

Trading in the shares of the Company was suspended at the request of the Company from 9:30 a.m. on 24 May 2010 pending the publication of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company from 9:30 a.m. on 1 June 2010.

By order of the Board  
**Mobile Telecom Network (Holdings) Limited**  
**Mr. Chan Wai Kwong, Peter**  
*Executive Director*

Hong Kong, 31 May 2010

*As at the date of this announcement, the Board comprises two executive directors namely Dr. Chan Chung (Chairman) and Mr. Chan Wai Kwong, Peter; and three independent non-executive directors namely Mr. Jeffery Matthew Bistrong, Mr. Chu Chin Tai, Eric and Mr. Chen Kwok Wang, Kester.*

*This announcement, for which the directors of the Company 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 of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least seven days from the date of its posting and on the Company website at <http://www.mtelnet.com>.*