
WAIVERS FROM COMPLIANCE WITH THE COMPANIES ORDINANCE AND THE LISTING RULES

MANAGEMENT PRESENCE IN HONG KONG

Pursuant to Rule 8.12 of the Listing Rules, we must have a sufficient management presence in Hong Kong. This normally means that at least two of our executive Directors must be ordinarily resident in Hong Kong. Given that the business and operation of our Group are primarily located, managed and conducted in the PRC and none of our executive Directors are ordinarily resident in Hong Kong, we do not, and for the foreseeable future will not, have two executive Directors residing in Hong Kong.

Accordingly, we have applied to the Stock Exchange for a waiver from compliance with the requirements under Rule 8.12 of the Listing Rules. In order to maintain effective communication with the Stock Exchange, we have put in place the following measures to ensure that regular communication is maintained between the Stock Exchange and us:

- (a) each Director/authorized representative of our Company will provide his office phone number, mobile phone number, residential phone number, fax number and e-mail address to the Stock Exchange. They will be contactable at their mobile phone numbers at all times;
- (b) each executive Director, non-executive Director and independent non-executive Director who are not ordinarily resident in Hong Kong holds valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange to discuss any matter in relation to our Company within a reasonable time frame, when required;
- (c) Hu Xiang (executive Director and authorized representative of our Company) and Wang Guoying (executive Director) are normally resident in Shenzhen, the PRC. They have confirmed that they will be able to meet with the Stock Exchange on short notice;
- (d) the two authorized representatives, Hu Xiang (executive Director, the chairman of the board of Directors and the chief executive officer of our Company) and Lee Wai Kuen (our deputy financial officer and company secretary), will act as our principal channels of communication with the Stock Exchange;
- (e) the two authorized representatives will be readily contactable by phone, facsimile and e-mail to promptly address inquires from the Stock Exchange;
- (f) the two authorized representatives will have means to contact all members of the Board (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact them;
- (g) pursuant to Rule 3A.19 of the Listing Rules, our Company has retained First Shanghai Capital as its compliance adviser for the period commencing on the Listing Date and ending on the date on which our Company publishes its annual report in respect of its first full financial year commencing after the Listing Date to provide us with advice on our obligations in compliance with the Listing Rules, the Takeovers Code and the Code on Share Repurchases, including the publication of regulatory announcements, circulars or financial reports and the entry into notifiable or connected transactions. Such compliance adviser will act as the additional channel of communication with the Stock Exchange for the aforesaid period. Such compliance adviser will (i) provide the office address, the names, home and office phone numbers and fax numbers, e-mail addresses of two of its officers to the Stock Exchange and (ii) maintain all the office phone numbers, mobile phone numbers, fax numbers and e-mail addresses of the persons named in paragraph (a) above; and
- (h) in the event that an executive Director/authorized representative of our Company expects to travel and be out of office, he will have to provide the phone number of the place of his accommodation to the other authorized representative and the respective alternates.

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PRE-IPO OPTIONS

Under Rule 17.02(1)(b) of the Listing Rules, paragraph 27 of Appendix 1A and paragraph 10 of Part I of the Third Schedule to the Companies Ordinance, this Web Proof Information Pack is required to include details of the number, description and amount of any of our Shares which a person has, or is entitled to be given, an option to subscribe for, together with certain particulars of each option, namely the period during which it is exercisable, the price to be paid for Shares subscribed for under it, the consideration (if any) given or to be given for it or for the right to it and the names and addresses of the persons to whom it was given. We have granted options to 115 persons to subscribe for 25,557,500 Shares (post-Capitalization Issue) on the terms set out in the section entitled “5. Pre-IPO Options” in Appendix VI to this Web Proof Information Pack. Except for those grantees who are Directors, ex-director and senior management of the Group as disclosed in the section headed “5. Pre IPO Options” in Appendix VI to this Web Proof Information Pack, no grantees under the Pre-IPO Stock Incentive Plans are connected persons (as defined under the Listing Rules) or senior management of the Group.

Under the Pre-IPO Stock Incentive Plans, eligible persons include consultants or advisors who render or have rendered bona fide services to the Company (other than services in connection with the offering or sale of securities of the Company in a capital raising transaction or as a market maker or promoter of the Company’s securities). Three consultants were eligible persons under the 2003 Stock Incentive Plan, namely Mr. Lai Yongxiang, Tech Power Enterprises Limited and Ms. Ju Xinxia. Mr. Lai Yongxiang provided advisory services to the Group with respect to the direction of development in the PRC telecommunication industry and the use of applicable technology. Mr. Lai is one of the Beneficial Owners and he held 41,720,000 Shares in trust for the benefit of the Beneficial Owners from September 29, 2006 to May 30, 2007. Tech Power Enterprises Limited provided advisory services on corporate management to the Group and it is independent from the Company. Ms. Ju Xinxia provided advisory services as a company secretary to the Group. She is a member of the 39 Employee Shareholders and the company secretary of MOBI Shenzhen.

We have applied for (i) a waiver from the Stock Exchange from strict compliance with the disclosure requirements under Rule 17.02(1)(b) and paragraph 27 of Appendix 1A to the Listing Rules; and (ii) an exemption from the SFC from strict compliance with the disclosure requirements of paragraph 10 of Part I of the Third Schedule to the Companies Ordinance on the ground that full compliance with these requirements in respect of those participants of the Pre-IPO Stock Incentive Plans who are full-time or former employees of our Group and who are neither Directors, ex-director, senior management of our Group, consultants of our Company nor employees of our Group with a right to subscribe for more than 500,000 Shares (post-Capitalization Issue) (such participants to be collectively referred to as the “Grantees”) would be unduly burdensome for us due to the following reasons:

- (a) as the options granted under the Pre-IPO Stock Incentive Plans are considered as part of each Grantee’s remuneration package, individual information on such options is highly sensitive and confidential among the Grantees;
- (b) given the 94 Grantees involved, strict compliance with the applicable disclosure requirements under the Companies Ordinance on an individual basis in the Web Proof Information Pack will be costly and unduly burdensome on our Company in light of a significant increase in cost and timing for information compilation, Web Proof Information Pack preparation and printing;
- (c) the grant and exercise in full of the options granted under the Pre-IPO Stock Incentive Plans will not cause any material adverse change in the financial position of our Company;

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- (d) the lack of full compliance of the applicable disclosure requirements under the Listing Rules and the Companies Ordinance will not hinder our Company in providing an informed assessment of our Company's activities, assets and liabilities, financial position, management and prospects to its potential investors; and
- (e) the disclosure of a summary of information relating to the options granted under the Pre-IPO Stock Incentive Plans, as described in the section headed "5. Pre-IPO Options" in Appendix VI to this Web Proof Information Pack should provide potential investors with sufficient information to make a relevant assessment of our Company in their investment decision-making process.

[The Stock Exchange has granted the waiver to us on the following conditions:

- (a) on individual basis, full details of all the options granted by our Company under the Pre-IPO Stock Incentive Plans to the Directors, the ex-director and the five consultants of our Company, the senior management and any other employees of our Group with a right to subscribe for more than 500,000 Shares (post-Capitalization Issue), including all the particulars required under Rule 17.02(1)(b) of the Listing Rules, paragraph 27 of Appendix 1A to the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies Ordinance, are disclosed in this Web Proof Information Pack;
- (b) in respect of the options granted by our Company to the grantees other than those referred to in sub-paragraph (a), the following details are fully disclosed in this Web Proof Information Pack:
 - (i) the aggregate number of grantees;
 - (ii) the aggregate number of Shares subject to such options;
 - (iii) the consideration paid for the grant of such options; and
 - (iv) the exercise period and the exercise price for such options;
- (c) the dilution effect and impact on earnings per Share upon full exercise of the options granted under the Pre-IPO Stock Incentive Plans are disclosed in this Web Proof Information Pack;
- (d) the aggregate number of Shares subject to the outstanding options granted by our Company under the Pre-IPO Stock Incentive Plans and the percentage of our Company's issued share capital of which such number represents are disclosed in this Web Proof Information Pack;
- (e) a summary of the Pre-IPO Stock Incentive Plans is disclosed in this Web Proof Information Pack; and
- (f) the list of all the grantees who have been conditionally granted options to subscribe for Shares under the Pre-IPO Stock Incentive Plans, containing all details as required under Rule 17.02 (1)(b), paragraph 27 of Appendix 1A to the Listing Rules and paragraph 10 of Part I of the Third Schedule to the Companies Ordinance, will be made available for public inspection.]

[The SFC has granted the exemption on the following conditions:

- (a) on individual basis, full details of all the options granted by our Company under the Pre-IPO Stock Incentive Plans to the Directors, the ex-director and the five consultants of

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our Company, the senior management and any other employees of our Group with a right to subscribe for more than 500,000 Shares (post-Capitalization Issue), including all the particulars required under paragraph 10 of Part I of the Third Schedule to the Companies Ordinance, are disclosed in this Web Proof Information Pack;

- (b) in respect of the options granted by our Company to the grantees other than those referred to in sub-paragraph (a), the following details are fully disclosed in this Web Proof Information Pack:
 - (i) the aggregate number of grantees;
 - (ii) the aggregate number of Shares subject to such options;
 - (iii) the consideration paid for the grant of such options;
 - (iv) the exercise period and the exercise price for such options; and
- (c) the list of all the grantees who have been conditionally granted options to subscribe for Shares under the Pre-IPO Stock Incentive Plans, containing all details as required under paragraph 10 of Part I of the Third Schedule to the Companies Ordinance will be made available for public inspection.]

Further details of the Pre-IPO Stock Incentive Plans and the waiver are set out in the sections headed “5. Pre IPO Options” and “7. Waivers from compliance with the Companies Ordinance and the Listing Rules” in Appendix VI to this Web Proof Information Pack respectively.