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MOBI 摩比

MOBI Development Co., Ltd.

摩比發展有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 947)

PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND BONUS ISSUE OF SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A letter from the chairman of the Company is set out on pages 4 to 9 of this circular. A notice convening the annual general meeting (the “AGM”) of the shareholders of the Company to be held at 10:00 a.m. on Tuesday, 1 June 2010 at MOBI Building, 7 Langshan First Road, Science and Technology Park, Nanshan District, Shenzhen, Guangdong Province, PRC is set out on pages 15 to 19 of this circular.

A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Company’s share register, Computershare Hong Kong Investor Services Limited at 17M floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM in person or any adjournment thereof should you so wish.

This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on the Stock Exchange for the purpose of giving information with regard to the Company. The directors of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

28 April 2010

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be held at 10:00 a.m. on Tuesday, 1 June 2010 at MOBI Building, 7 Langshan First Road, Science and Technology Park, Nanshan District, Shenzhen, Guangdong Province, PRC or any adjournment thereof
“2009 Annual Report”	the 2009 annual report of the Company
“Articles of Association”	the articles of association of the Company as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors or a duly authorized committee of the board of Directors
“Bonus Issue”	issue of Bonus Share(s) by the Company to the Qualifying Shareholders on the basis of one (1) Bonus Share for every ten (10) Shares held on the Record Date
“Bonus Share(s)”	new Share(s) to be issued pursuant to the Bonus Issue
“Company”	MOBI Development Co., Ltd., a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the main board of the Stock Exchange (stock code: 947)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	22 April 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“MOBI Jian”	MOBI Telecommunication Technologies (Ji An) Co., Ltd. (摩比通訊技術(吉安)有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company

DEFINITIONS

“MOBI Shenzhen”	MOBI Antenna Technologies (Shenzhen) Co., Ltd. (摩比天線技術(深圳)有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company
“MOBI Xian”	MOBI Technologies (Xi An) Co., Ltd. (摩比科技(西安)有限公司), a company established in the PRC and a wholly-owned subsidiary of the Company
“Memorandum”	the Memorandum of Association of the Company as amended from time to time
“Overseas Shareholder(s)”	the Shareholder(s) whose address(es) as shown on the register of members of the Company as at the close of business on the Record Date are outside Hong Kong
“PRC”	The People’s Republic of China
“Qualifying Shareholder(s)”	the Shareholder(s) whose name(s) appear on the register of members of the Company as at the close of business on the Record Date, other than those Overseas Shareholders whom the Directors, after making relevant enquiries, consider the exclusion of those Overseas Shareholders is necessary or expedient on account either of the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that place
“Record Date”	Tuesday, 1 June 2010, being the record date for the determination of entitlement to the Bonus Issue
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Shareholder(s)”	shareholder(s) of the Company
“Share(s)”	ordinary share(s) of US\$0.000001 each in the share capital of the Company
“Share Options”	share options granted by the Company pursuant to the Stock Incentive Plans
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Stock Incentive Plans”	Stock incentive plans approved and adopted by the Company on 15 January 2003 and 10 July 2004, respectively
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent
“US\$”	United States dollars, the lawful currency of the United States of America

EXPECTED TIMETABLE

The expected timetable for the Bonus Issue is set out below:

	2010
Last day of trading in Shares cum-entitlements to Bonus	
Issue and final dividend	Tuesday, 25 May
First day of trading in Shares ex-entitlements to Bonus	
Issue and final dividend	Wednesday, 26 May
Latest time for lodging transfer forms of Shares for registration to qualify for entitlements to Bonus	
Issue and final dividend	4:30 p.m. Thursday, 27 May
Closure of register of members of the Company	from Friday, 28 May to Tuesday, 1 June (both days inclusive)
Record Date for determination of entitlements to Bonus	
Issue and final dividend	Tuesday, 1 June
Date and time of AGM	10:00 a.m. Tuesday, 1 June
Register of members re-opens	Wednesday, 2 June
Share certificates for Bonus Shares expected to be despatched	on or around Thursday, 10 June
Dealings in the Bonus Shares on the Stock Exchange expected to commence	Monday, 14 June

LETTER FROM THE CHAIRMAN

MOBI 摩比
MOBI Development Co., Ltd.
摩比發展有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 947)

Executive Directors:

HU Xiang (*Chairman*)
WANG Guoying

Non-executive Directors

QU Deqian
XING Qibin
YAN Andrew Y.
YANG Dong

Independent non-executive Directors:

LI Tianshu
ZHANG Han
BAO Fan

Registered Office:

Maples Corporate Services Limited
P.O. Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

Principal place of business in Hong Kong:

Room 1902, 19/F
Massmutual Tower
38 Gloucester Road
Wanchai
Hong Kong

28 April 2010

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
BONUS ISSUE OF SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM involving (i) the re-election of retiring Directors; (ii) the grant to the Directors the general mandates to allot, issue and deal with additional Shares and to repurchase Shares, and the extension of the general mandates to allot, issue and deal with new Shares by the addition thereto of any Shares repurchased by the Company; and (iii) the Bonus Issue and to give you notice of the AGM.

LETTER FROM THE CHAIRMAN

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 130 of the Articles of Association, one-third of the Directors shall retire from office by rotation at each annual general meeting. Accordingly, Mr. Hu Xiang, Mr. Wang Guoying and Mr. Qu Deqian will retire from office and, being eligible, have offered themselves for re-election at the AGM.

The biographical details of each of the retiring Directors, as required to be disclosed pursuant to rule 13.51(2) of the Listing Rules, are set out in Appendix I to this circular.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

As the general mandates granted to the Directors to allot, issue, and deal with and repurchase Shares respectively pursuant to a resolution in writing passed by the then sole Shareholder on 25 November 2009 will lapse at the conclusion of the AGM, resolutions will be proposed at the AGM to renew the grant of these general mandates. The relevant resolutions, in summary, are:

- an ordinary resolution to grant to the Directors a general unconditional mandate to allot, issue, and deal with additional securities of the Company (including, *inter alia*, offers, agreements, options, warrants or similar rights in respect thereof) not exceeding 20% of the aggregate nominal value of the Company's issued share capital as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the “**Issue Mandate**”). On the basis of 724,410,995 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased by the Company before the AGM, exercise in full of the Issue Mandate could result in up to 144,882,199 new Shares being issued by the Company;
- an ordinary resolution to grant to the Directors a general unconditional mandate to exercise all the powers of the Company to repurchase such number of Shares not exceeding 10% of the aggregate nominal value of the Company's issued share capital as at the date of passing the relevant resolution for the period from the close of the AGM until the conclusion of the next annual general meeting of the Company (or such earlier period as stated in the resolution) (the “**Repurchase Mandate**”); and
- conditional on the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution to authorise the Directors to exercise the powers of the Company to allot, issue, and deal with additional securities under the Issue Mandate by adding those Shares repurchased by the Company pursuant to the Repurchase Mandate.

The explanatory statement providing the requisite information regarding the Repurchase Mandate as required to be sent to the Shareholders under the Listing Rules is set out in Appendix II to this circular.

LETTER FROM THE CHAIRMAN

BONUS ISSUE

Subject to the conditions set out in the paragraph below headed "Conditions to the Bonus Issue", the Directors proposed to make the Bonus Issue on the basis of one (1) Bonus Share for every ten (10) Shares held by the Qualifying Shareholders on the Record Date.

As at the Latest Practicable Date, 724,410,995 Shares were issued. On the basis that no further Shares will be repurchased or issued on or before Tuesday, 1 June 2010, being the date of the AGM and the Record Date, 72,441,099 Bonus Shares will be issued under the Bonus Issue and an amount of approximately US\$72.44 standing to the credit of Company's share premium account will be capitalized and will then be applied in paying up in full at par for 72,441,099 Bonus Shares.

The register of members of the Company will be closed on Friday, 28 May 2010 to Tuesday, 1 June 2010 (both days inclusive) in order to determine Qualifying Shareholders' entitlement to the Bonus Issue and the Shareholders' entitlement to the final dividend for the year ended 31 December 2009. To qualify for the Bonus Issue and final dividend, all transfers of Shares accompanied by the relevant share certificate(s) must be lodged with the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 27 May 2010.

Conditions to the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the approval of the Bonus Issue (including the capitalization of certain amount standing to the credit of the share premium account of the Company) by the Shareholders at the AGM; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares.

Fractional Entitlements

Any fractional entitlements to the Bonus Shares will not be issued to the Qualifying Shareholders but will, where practicable, be aggregated and sold in the market for the benefit of the Company.

Status of the Bonus Shares

The Bonus Shares, upon issued, will rank pari passu in all respects with the Shares then existing except that they will not rank for the final dividend for the year ended 31 December 2009 and the Bonus Shares.

LETTER FROM THE CHAIRMAN

Rights of the Overseas Shareholders

As at the Latest Practicable Date, there were certain Shareholders whose addresses as shown on the register of members of the Company were outside Hong Kong.

For those Overseas Shareholders, enquiry will be made pursuant Rule 13.36(2)(a) of the Listing Rules. Upon such enquiry, if the Board is of the view that it is necessary or expedient not to issue the Bonus Shares to those Overseas Shareholders whose addresses are in certain jurisdictions due to the time and costs involved in the registration of this circular and/or compliance with the legal or regulatory requirements or special formalities in those jurisdictions, no Bonus Shares will be issued to the Overseas Shareholders in those jurisdictions and this circular is provided to them for information purposes only. The Bonus Shares which would otherwise have been issued to such Overseas Shareholders will be sold in the market as soon as practicable after dealings in the Bonus Shares commence if a premium, net of expenses, can be obtained. Any proceeds of sale, after deduction of expenses, will be distributed in HK\$ to such Overseas Shareholders by post at their own risk unless the amount falling to be distributed to any such Overseas Shareholders shall be less than HK\$100, in which case such amount will not be distributed but will be retained for the benefit of the Company.

The Company will publish an announcement to inform the Shareholders of the results of the enquiry regarding the exclusion of the Overseas Shareholders as soon as practicable.

Listing, dealings and certificates for Bonus Shares

Application will be submitted to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares. No part of the securities of the Company is listed or dealt in on any other stock exchange nor is listing of or permission to deal in such securities being or proposed to be sought.

Conditional upon the satisfaction of the conditions as set out in paragraph headed "Conditions to the Bonus Issue" above, it is expected that the certificates for the Bonus Shares will be issued and posted to the persons entitled thereto at their own risk on or around Thursday, 10 June 2010. In the case of a joint holding, the certificates for the Bonus Shares will be posted to the address of the person whose name stands first on the register of members of the Company on the Record Date.

Dealings in the Bonus Shares on the Stock Exchange are expected to commence on Monday, 14 June 2010.

LETTER FROM THE CHAIRMAN

Adjustment to the Outstanding Share Options

As at the Latest Practicable Date, there were outstanding Share Options carrying rights to subscribe for an aggregate of 21,647,500 Shares granted pursuant to the Stock Incentive Plans. The Bonus Issue may lead to adjustments to the exercise price and the number of Shares which may be issued upon exercise of the outstanding Share Options, such adjustments to be made in accordance with the rules of the Stock Incentive Plans. The Company will make further announcement if any adjustment is required to be made.

Reasons for the Bonus Issue

The Board proposes the Bonus Issue as a reward to recognize the continual support of the Shareholders. In addition, the Board believes that the Bonus Issue will enhance the liquidity of the Shares in the market and thereby strengthen the equity base of the Company.

Waiver from strict compliance with Rules 19.10(2) and (3) of the Listing Rules

The Company has obtained from the Stock Exchange a waiver from strict compliance with Rules 19.10(2) and (3) of the Listing Rules regarding the requirements to include in this circular summaries of (a) the provisions of the constitutive documents of the Company in so far as they may affect Shareholders' rights and protection and Directors' power; and (b) the relevant regulatory provision of the jurisdiction in which the Company is incorporated. Nevertheless, copies of the Memorandum, the Articles and the Companies Law of the Cayman Islands will be available for inspection at the Company's principal place of business in Hong Kong at Room 1902, 19/F, Massmutual Tower, 38 Gloucester Road, Wanchai, Hong Kong during normal business hours from 28 April 2010 to 1 June 2010 (other than public holidays).

AGM

The notice convening the AGM is set out on pages 15 to 19 to this circular. At the AGM, amongst other things, ordinary resolutions will be proposed to approve the re-election of the retiring Directors, the declaration of a final dividend for the year ended 31 December 2009, the granting of the Issue Mandate and the Repurchase Mandate and the extension of the Issue Mandate by the addition thereto of any Shares repurchased under the Repurchase Mandate and the Bonus Issue.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's share register, Computershare Hong Kong Investor Services Limited at 17M floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM should you so wish.

LETTER FROM THE CHAIRMAN

VOTING BY WAY OF POLL

Pursuant to rule 13.39(4) of the Listing Rules and Article 90 of the Articles of Association, all votes of the Shareholders at a general meeting must be taken by poll. The Company will announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors consider that the proposed resolutions regarding the re-election of the retiring Directors, the granting of the Issue Mandate and the Repurchase Mandate and the extension of the Issue Mandate by the addition thereto of any Shares repurchased under the Repurchase Mandate and the Bonus Issue are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the proposed resolutions.

DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the Company's principal place of business in Hong Kong at Room 1902, 19/F, Massmutual Tower, 38 Gloucester Road, Wanchai, Hong Kong during normal business hours on any weekday other than public holidays, from the date of this circular up to and including the date of AGM:

- (1) the Memorandum and Articles of Association;
- (2) the Companies Law of the Cayman Islands; and
- (3) the annual report of the Company for the year ended 31 December 2009.

Yours faithfully,
By order of the Board
MOBI Development Co., Ltd.
Hu Xiang
Chairman

The following sets out the particulars of the Directors who will retire from office and being eligible for re-election at the AGM.

1. Hu Xiang

Hu Xiang, aged 56, is an executive Director, the chairman of the Board and the chief executive officer of our Company. He is also a director, the chief executive officer and legal representative of MOBI Shenzhen and MOBI Jian and a director of MOBI Xian. Mr. Hu was appointed a Director on 19 December 2002. Mr. Hu was an engineer. Mr. Hu graduated from the Xian Infrastructure University (now Xian University of Finance and Economics) majoring in radio communication in August 1981. During the period from 1972 to September 1981, Mr. Hu worked in the hydraulic transmission and control department of the Northwest Industrial University. Mr. Hu then served as chief of the planning and supply department at Shenzhen Zhongxingxin for the period from 1992 to 1999. Mr. Hu joined our Group in August 1999. Mr. Hu was a director of Shenzhen Kang Cheng Jixie Shebei Co., Ltd. from June 2002 to June 2007 and the general manager of Shenzhen Zhongxin Weixiantong Shebei Co., Ltd. from March 2000 to September 2007. He is a shareholder of Fangyi Collaboration Holdings Limited, a substantial Shareholder.

Mr. Hu has entered into a service agreement with the Company for a term of three years commencing from 17 December 2009 and renewable thereafter by mutual agreement provided that at any time during the term of appointment, either party may terminate the agreement by giving to the other not less than six months' prior notice in writing. Pursuant to Mr. Hu's service agreement, he is entitled to a director's fee of HK\$100,000 per annum and eligible for a discretionary bonus at the absolute discretion of the Board. The emoluments of Mr. Hu is determined on the basis of his experience, level of responsibilities within the Group and the market situation.

As at the Latest Practicable Date, Mr. Hu held 23,095,000 Shares, representing 3.19% of the issued share capital of the Company as at that date, and options granted under Stock Incentive Plans to subscribe for 4,100,000 Shares.

2. Wang Guoying

Mr. Wang, aged 54, is an executive Director, and also a director of MOBI Shenzhen and MOBI Jian and a director and chief executive officer of MOBI Xian. Mr. Wang was appointed a Director on 19 December 2002. He is also the vice president in research and development of our Company and MOBI Shenzhen. Mr. Wang is qualified as a senior engineer. In December 1979, Mr. Wang graduated from Northwest Telecommunications Engineering College (now Xidian University) majoring in antenna engineering. Mr. Wang has held such positions as assistant engineer, engineer and senior engineer at the Shijiazhuang Communications Survey and Control Technology Institute during the period from 1987 to 1999. During this period, Mr. Wang received a second class award in PRC National Scientific Technology Advancement, a Model Individual Award for PRC National "Eighth Five-Year Plan" Scientific Technology Advancement, a second class award and a third class award respectively in Scientific Technology Advancement of the Ministry of Machine Building and Electronics Industry. Mr. Wang was a director of Shenzhen Kang Cheng Jixie Shebei Co., Ltd. from June 2002 to June 2007. Mr. Wang joined our Group in August 1999.

Mr. Wang has entered into a service agreement with the Company for a term of three years commencing from 17 December 2009 and renewable thereafter by mutual agreement provided that at any time during the term of appointment, either party may terminate the agreement by giving to the other not less than six months' prior notice in writing. Pursuant to Mr. Wang's service agreement, he is entitled to a director's fee of HK\$100,000 per annum and eligible for a discretionary bonus at the absolute discretion of the Board. The emoluments of Mr. Wang is determined on the basis of his experience, level of responsibilities within the Group and the market situation.

As at the Latest Practicable Date, Mr. Wang held 24,734,000 Shares, representing 3.41% of the issued share capital of the Company as at that date, and options granted under Stock Incentive Plans to subscribe for 1,750,000 Shares.

3. Qu Deqian

Mr. Qu, aged 47, is a non-executive Director, and a director of MOBI Shenzhen, MOBI Jian and MOBI Xian. Mr. Qu was appointed a Director on 19 December 2002. Mr. Qu graduated from Shaanxi Institute of Finance and Economics (now School of Economics and Finance of Xian Jiaotong University) in June 1992 and he further obtained the qualification as an accountant in the PRC in October 1994. From June 1993 to April 2003, Mr. Qu was the chief of ZTE Corporation's accounting and auditing centre and the deputy chief of its financial centre. In April 2003, Mr. Qu was appointed as the deputy general manager of Shenzhen Zhongxin Weixiantong Shebei Co., Ltd. and since September 2007, has been the general manager of Shenzhen Zhongxin Weixiantong Shebei Co., Ltd. Mr. Qu joined our Group in December 2002. He is a shareholder of Fangyi Collaboration Holdings Limited, a substantial Shareholder.

Mr. Qu has entered into a service agreement with the Company for a term of three years commencing from 17 December 2009 and renewable thereafter by mutual agreement provided that at any time during the term of appointment, either party may terminate the agreement by giving to the other not less than one month's prior notice in writing. Pursuant to Mr. Qu's service agreement, he is entitled to a director's fee of HK\$100,000 per annum and eligible for a discretionary bonus at the absolute discretion of the Board. The emoluments of Mr. Qu is determined on the basis of his experience, level of responsibilities within the Group and the market situation.

As at the Latest Practicable Date, Mr. Qu held options granted under Stock Incentive Plans to subscribe for 600,000 Shares.

Save as disclosed above, as at the Latest Practicable Date, each of the retiring Directors (i) has not held any directorships in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iii) does not hold any positions in the Company or other members of the Group; and (iv) does not have any interests in the Shares within the meaning of Part XV of SFO. And, there is no other matter that needs to be brought to the attention of the Shareholders or any information that should be disclosed under paragraphs (h) to (v) of rule 13.51(2) of the Listing Rules.

This is the explanatory statement required by rule 10.06(1)(b) of the Listing Rules to be given to all Shareholders relating to a resolution to be proposed at the AGM authorizing the Repurchase Mandate.

1. EXERCISE OF THE REPURCHASE MANDATE

On the basis of 724,410,995 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be issued or repurchased by the Company before the AGM, exercise in full of the Repurchase Mandate could result in up to 72,441,099 Shares being repurchased by the Company during the period from the passing of the resolution relating to the Repurchase Mandate up to the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; and (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association and the applicable laws of the Cayman Islands. Such funds include profits available for distribution.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited consolidated accounts for the year ended 31 December 2009) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company.

4. DIRECTORS AND CONNECTED PERSONS

As at the Latest Practicable Date, to the best knowledge of the Directors having made all reasonable enquiries, none of the Directors and their respective associates has a present intention, in the event that the Repurchase Mandate is approved and exercised, to sell Shares to the Company.

No connected persons have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved and exercised.

5. UNDERTAKINGS

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Memorandum and Articles of Association and the applicable laws of the Cayman Islands.

6. TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of rule 32 of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code. A waiver of this provision would not normally be given except in extraordinary circumstances.

As at the Latest Practicable Date, to the best knowledge of the Company, Fangyi Collaboration Holdings Limited had an interest (within the meaning of Part XV of the SFO) of approximately 28.94% of the issued share capital of the Company. In the event that the Directors should exercise in full the Repurchase Mandate, his aggregate interests would (assuming that there is no change in relevant circumstances) be increased to approximately 32.16% of the issued share capital of the Company. Fangyi Collaboration Holdings Limited will become obliged to make a mandatory offer to Shareholders under rules 26 and 32 of the Takeovers Code as a result of repurchase of Shares.

In any event, the Directors have no present intention to repurchase Shares to such extent which will trigger the mandatory offer requirement pursuant to the Takeovers Code. The Directors will use their best endeavors to ensure the Repurchase Mandate will not be exercised to the extent that the number of Shares held by the public would be reduced to less than 25% of the issued share capital of the Company.

7. SHARE REPURCHASES MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

8. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange from 17 December 2009, being the date of listing of Shares on the Stock Exchange, and up to the Latest Practicable Date were as follows:

	Highest (HK\$)	Lowest (HK\$)
December 2009	3.98	2.77
January 2010	4.10	3.00
February 2010	3.43	2.98
March 2010	3.57	2.96
April 2010 (<i>up to the Latest Practicable Date</i>)	3.83	3.08

NOTICE OF AGM

MOBI 摩比

MOBI Development Co., Ltd.

摩比發展有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 947)

NOTICE IS HEREBY GIVEN that an annual general meeting of the shareholders of MOBI Development Co., Ltd. (the “Company”) will be held at 10:00 a.m. on Tuesday, 1 June 2010 at MOBI Building, 7 Langshan First Road, Science and Technology Park, Nanshan District, Shenzhen, Guangdong Province, PRC for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “Directors”) and auditors for the year ended 31 December 2009.
2. To declare a final dividend for the year ended 31 December 2009.
3. To re-elect the retiring Directors.
4. To re-appoint Deloitte Touche Tohmatsu as the auditors of the Company and to authorize the Board of Directors to fix their remuneration.
5. As special business to consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions:

5A. “**THAT:**

- (a) subject to paragraph 5A(c), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into such shares or warrants or similar rights to subscribe for any shares in the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph 5A(a) shall authorize the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph 5A(a), otherwise than

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pursuant to the shares of the Company issued as a result of a Rights Issue (as hereinafter defined) or any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of the dividend on the shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company on the register on a fixed record date in proportion to their holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in any territory outside Hong Kong).”

5B. “THAT:

- (a) subject to paragraph 5B(b), the exercise by the Directors during the Relevant Period of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange on which the securities of the Company may be listed as amended from time to time, be and is hereby generally and unconditionally approved;

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- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval mentioned in paragraph 5B(a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) the expression “Relevant Period” shall for the purposes of this resolution have the same meaning as assigned to it under ordinary resolution 5A(d) of this notice.”
- 5C. “**THAT** conditional upon resolutions 5A and 5B above being passed, the aggregate nominal amount of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution 5B above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution 5A, provided that the amount of share capital repurchased by the Company shall not exceed 10 per cent. of the total nominal amount of the share capital of the Company in issue on the date of this resolution.”
6. “**THAT** subject to the Listing Committee of the Stock Exchange granting listing of, and permission to deal in the new shares of US\$0.000001 each in the capital of the Company (the “Shares”) to be issued pursuant to this resolution that:
- (a) the amount standing to the credit of the share premium account of the Company as would be required to be applied in paying up in full at par such new Shares to be issued, allotted and distributed, credited as fully paid up, to and among holders of Shares standing in the register of members of the Company at close of business on 1 June 2010 (the “Record Date”) in the proportion of one new Share for every ten existing issued Shares (“Bonus Shares”) held on the Record Date be and is hereby capitalized and accordingly the Directors be and are hereby authorised and directed to appropriate such amount in paying up the Bonus Shares and PROVIDED THAT in case where the address of any holder of Shares as shown on the register of members of the Company at the close of business on the Record Date is outside Hong Kong (the “Overseas Shareholders”) and upon making relevant enquiries, the Directors consider the exclusion of those Overseas Shareholders is necessary or expedient on account either of the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that place, the Bonus Shares shall not be issued to such Overseas Shareholders (the “Excepted Shareholders”) but shall be aggregated and sold as soon as practicable after dealing in the Bonus Shares commences and the net proceeds of sale, after deduction of expenses, shall be distributed pro rata to the relevant Excepted Shareholders unless the amount falling to be distributed to any such Excepted Shareholders is less than HK\$100, in which case such amount shall be retained for the benefit of the Company;

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- (b) no fractional Bonus Shares shall be issued, allotted and distributed and that all Bonus Shares representing fractions shall be aggregated and sold for the benefit of the Company;
- (c) the Bonus Shares to be issued pursuant to paragraph (a) above shall rank pari passu in all aspects with the existing issued Shares as at the date of issue of the Bonus Shares except that they will not rank for the bonus issue of Shares mentioned in this resolution and the final dividend for the year ended 31 December 2009; and
- (d) the Directors be and are authorised to do all acts and things and execute all documents or make such arrangement as may be appropriate, necessary and expedient in connection with the issue of Bonus Shares refer to in paragraph (a) of this resolution.”

By order of the Board
MOBI Development Co., Ltd.
Hu Xiang
Chairman

Hong Kong, 28 April 2010

Principal place of business in Hong Kong:

Room 1902, 19/F
Massmutual Tower
38 Gloucester Road
Wanchai
Hong Kong

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Notes:

1. A shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.
2. In order to be valid, the instrument appointing a proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or other authority, must be deposited at the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the said meeting or adjourned meeting.
3. The register of members of the Company will be closed from Friday, 28 May 2010 2010 to Tuesday, 1 June 2010, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend and bonus issue of shares to be approved at the meeting and for the right to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 27 May 2010.
4. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

As at the date of this notice, the executive Directors are Mr. HU Xiang and Mr. WANG Guoying; the non-executive Directors are Mr. QU Deqian, Mr. XING Qibin, Mr. YAN Andrew Y. and Mr. YANG Dong; and the independent non-executive Directors are Mr. LI Tianshu, Mr. ZHANG Han and Mr. BAO Fan.