
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in MOBI Development Co., Ltd. (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee, or to the stockbroker, other registered dealer in securities, the bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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: 00947)

TERMINATION OF EXISTING SHARE OPTION SCHEME, ADOPTION OF NEW SHARE OPTION SCHEME AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the extraordinary general meeting (“**EGM**”) of the Company to be held at 10:00 a.m. on Thursday, 7 November 2013 at MOBI Building, 7 Langshan First Road, Science and Technology Park, Nanshan District, Shenzhen, Guangdong Province, the PRC is set out on pages 17 and 18 of this circular. A form of proxy for the EGM is enclosed with this circular. Whether or not you intend to attend and vote at the EGM, you are requested to read the notice and to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than forty-eight (48) hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish and in such event, the form of proxy shall be deemed to be revoked.

CONTENTS

	<i>Page No.</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME ..	8
NOTICE OF EGM	17

DEFINITIONS

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

“Articles of Association”	the articles of association of the Company (as amended from time to time)
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the business of dealing in securities
“Company”	MOBI Development Co., Ltd., a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Effective Date”	the date on which the New Share Option Scheme is adopted by a resolution of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 10:00 a.m. on Thursday, 7 November 2013 at MOBI Building, 7 Langshan First Road, Science and Technology Park, Nanshan District, Shenzhen, Guangdong Province, the PRC (or any adjournment thereof) for the purpose of considering, if thought fit, approving the resolution proposed in the EGM Notice
“EGM Notice”	the notice convening the EGM as set out on pages 17 and 18 of this circular
“Eligible Participants”	any executive, employee, director (including non-executive director and independent non-executive director), consultant, adviser and/or agent of any member of the Group (or person(s) proposed to be appointed as such provided that the Offer to such proposed appointee(s) shall be conditional upon the proposed appointment taking effect)
“Existing Share Option Scheme”	the existing share option scheme adopted by the Company on 25 November 2009
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	18 October 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular

DEFINITIONS

“Limit”	10% of the total number of Shares in issue as at the date of approval of the New Share Option Scheme by the Shareholders
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share Option Scheme”	the new share option scheme proposed to be adopted at the EGM, a summary of the principal terms is set out in “Summary of the Principal Terms of the New Share Option Scheme” to this circular
“Offer”	an offer to grant an option
“Scheme Period”	the period commencing on the Effective Date and expiring at 5:00 p.m. on the Business Day preceding the tenth anniversary of the Effective Date
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of US\$0.000001 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

LETTER FROM THE BOARD

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: 00947)

Executive Directors:

Mr. Hu Xiang (Chairman)
Mr. Shao Zhiguo

Non-executive Directors:

Mr. Qu Deqian
Mr. Yang Dong

Independent Non-executive Directors:

Mr. Li Tianshu
Mr. Zhang Han
Mr. Li Guinian

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

21 October 2013

To the Shareholders

Dear Sir or Madam,

**TERMINATION OF EXISTING SHARE OPTION SCHEME,
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolution to be proposed at the EGM for the approval of the termination of the Existing Share Option Scheme and adoption of the New Share Option Scheme.

LETTER FROM THE BOARD

2. TERMINATION OF EXISTING SHARE OPTION SCHEME AND ADOPTION OF NEW SHARE OPTION SCHEME

The Existing Share Option Scheme was adopted by the Company on 25 November 2009 and unless otherwise terminated, will remain valid and effective for a period of 10 years from 25 November 2009. As at the Latest Practicable Date, there were no options granted under the Existing Share Option Scheme.

Options to subscribe for an aggregate of 8,058,750 Shares (representing approximately 0.99% of the total issued share capital of the Company) have been granted which remained outstanding and unexercised under the Company's pre-IPO stock incentive plan approved and adopted by the Company on 10 July 2005 and was terminated upon listing of the Company on 17 December 2009.

The Board proposes to adopt the New Share Option Scheme and simultaneously terminate the operation of the Existing Share Option Scheme at the EGM (such that no further options can thereafter be offered under the Existing Share Option Scheme). The Directors consider the New Share Option Scheme, with a higher maximum number of Shares for which options may be granted (being 10% of the Shares in issue as at the Effective Date, as compared to the 5% limit under the Existing Share Option Scheme), will allow the Group more room to reward the employees, the Directors and other selected participants for their contributions to the Group. Given the Board is entitled to impose any conditions, restrictions or limitations as it may think fit when making an Offer on a case by case basis, and that the exercise price of an option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the options granted. A summary of the principal terms of the New Share Option Scheme is set out in the "Summary of the Principal Terms of the New Share Option Scheme" of this circular. A copy of the rules of the New Share Option Scheme is available for inspection at the principal place of business of the Company in Hong Kong at Room 1902, 19/F., Massmutual Tower, 38 Gloucester Road, Wanchai, Hong Kong during normal business hours for a 14-day period immediately preceding the EGM.

The coming into effect of the New Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution at the EGM approving the termination of the Existing Share Option Scheme and the adoption of the New Share Option Scheme, and authorising the Directors to grant options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any option under the New Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any new Shares which may fall to be issued upon the exercise of the options that may be granted under the New Share Option Scheme.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were 811,082,344 Shares in issue. Assuming that there are no further allotment of Shares from the Latest Practicable Date up to the date of approval of the New Share Option Scheme, options to subscribe for up to 81,108,234 Shares may be issued under the New Share Option Scheme and any other schemes of the Company pursuant to Rule 17.03(3) of the Listing Rules, representing 10% of the Shares in issue as at the date of approval of the New Share Option Scheme.

The Company is not required to appoint any trustee for the purpose of administering the New Share Option Scheme. The New Share Option Scheme will be subject to the administration of the Board. None of the Director is or will be a trustee of the New Share Option Scheme or have a direct or indirect interest in any such trustee.

To the extent that the Directors are aware having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the resolution to be proposed at the EGM.

Value of the options

The Directors consider that it is not appropriate to state the value of all the options that can be granted under the New Share Option Scheme as if they had been granted as at the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables which are critical for the calculation of the value of such options cannot be determined. These variables include, but not limited to, the subscription price payable for the Shares upon the exercise of subscription rights attaching to the options, whether or not options will be granted under the New Share Option Scheme and the timing of the granting of such options, the period during which the subscription rights may be exercised, and any other conditions, restrictions or limitations that the Board may impose with respect to the options and whether or not such options, if granted, will be exercised. The subscription price payable for the Shares depends on the price of the Shares as quoted on the Stock Exchange, which in turn depends on when the Board is to grant options under the New Share Option Scheme. With a scheme life of ten years, the Board is of the view that it is too premature to state whether or not options will be granted under the New Share Option Scheme and, if so, the number of options that may be granted. It is also difficult to ascertain with accuracy the subscription price of the Shares given the volatility to which the price of the Shares may be subject to during the ten-year life span of the New Share Option Scheme. The Directors are of the view that the value of the options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical bases and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the options would not be meaningful to Shareholders in the circumstances.

Application for listing

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any options that may be granted under the New Share Option Scheme up to 10% of the Shares in issue as at the date of approval of the New Share Option Scheme.

LETTER FROM THE BOARD

Reasons for adopting the New Share Option Scheme

The purpose of the New Share Option Scheme is to replace the Existing Share Option Scheme which is subject to a lower 'limit' of 5%, has not been utilised so far and only has a remaining life of slightly over 6 years. The New Share Option Scheme will enable the Group to provide more incentives to its key management and employees by offering them opportunity to obtain an interest in the Group. The Directors consider that it is appropriate to adopt the New Share Option Scheme as the New Share Option Scheme, with a higher maximum number of Shares for which options may be granted (being 10% of the Shares in issue as at the Effective Date, as compared to the 5% limit under the Existing Share Option Scheme), will allow the Group more room to reward the employees, the Directors and other selected participants for their contributions to the Group. In order to retain talents and reward the executives and officers of the Company, the Board intends to grant options, which may exceed the current available limit under the Existing Share Option Scheme, hence it is necessary to adopt the New Share Option Scheme.

Given the Board is entitled to impose any conditions, restrictions or limitations as it may think fit when making an Offer on a case by case basis, and that the exercise price of an option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the options granted, enhance the Group's capability to attract, retain and motivate talented key management and employees to strive for future development and expansion of the Group. The New Share Option Scheme shall be an incentive to encourage participants to perform their best in achieving the goals of the Group and allow the participants to enjoy the results of the Company attained through their efforts and contributions. When making an Offer under the New Share Option Scheme to any participant, the Board is in its absolute discretion to impose the terms on which the option is to be granted (including any performance target which must be achieved before an option can be exercised). The Board will also have absolute discretion in determining the subscription price (not less than the price to be determined pursuant to Rule 17.03(9) of the Listing Rules) in respect of any option. The Directors are of the view that the continuation of flexibility given to the Directors to grant share options to eligible persons subject to the Board's absolute discretion in imposing the condition of achieving performance targets and the Board's absolute discretion in determining the subscription price will place the Group in a better position to motivate participants to recognise their performance and efficiency for the benefit of the Group and to attract and retain or otherwise maintain on-going relationship with such participants whose contributions are or will be beneficial to the long term growth of the Group.

3. VOTING AT THE EGM

For the purpose of compliance with Rule 13.39(4) of the Listing Rules, the Company will procure the Chairman of the EGM to demand for a poll for the ordinary resolution put to the vote of the EGM in accordance with the Articles of Association.

LETTER FROM THE BOARD

4. ACTION TO BE TAKEN

The EGM Notice is set out on pages 17 and 18 of this circular. A form of proxy for use at the EGM is also enclosed. Whether or not you intend to attend and vote at the EGM, you are requested to read the notice and to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than forty-eight (48) hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish and in such event, the form of proxy shall be deemed to be revoked.

5. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

6. RECOMMENDATION

The Directors consider that the proposed resolution referred in this circular and the EGM Notice is in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend Shareholders to vote in favour of the resolution set out in the EGM Notice.

7. ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in "Summary of the Principal Terms of the New Share Option Scheme" of this circular.

8. In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

Yours faithfully,
For and on behalf of the Board of
MOBI Development Co., Ltd.

Hu Xiang
Chairman

SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

Set out below is a summary of the principal terms of the New Share Option Scheme.

1. PURPOSE

The purpose of the New Share Option Scheme is to recognise and acknowledge the contributions of the Eligible Participants to the Group by granting options to them as incentives or rewards.

The Directors consider the New Share Option Scheme, with a higher maximum number of Shares for which options may be granted (being 10% of the Shares in issue as at the Effective Date, as compared to the 5% limit under the Existing Share Option Scheme), will allow the Group more room to reward the employees, the Directors and other selected participants for their contributions to the Group. Given the Board is entitled to impose any conditions, restrictions or limitations as it may think fit when making an Offer on a case by case basis, and that the exercise price of an option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the options granted.

2. WHO MAY JOIN

The Board may during the Scheme Period at its absolute discretion (subject to any conditions, restrictions or limitations as it may think fit) offer to grant options to subscribe for such number of Shares as the Board may determine at an option price determined in accordance with paragraph 3 below to the following Eligible Participants:

Any executive, employee, director (including non-executive director and independent non-executive director), consultant, adviser and/or agent of any member of the Group (or person(s) proposed to be appointed as such provided that the Offer to such proposed appointee(s) shall be conditional upon the proposed appointment taking effect).

The Board may at its absolute discretion impose the terms on which the option is to be granted (including any performance target which must be achieved before an option can be exercised).

3. SUBSCRIPTION PRICE

The subscription price of a Share payable on the exercise of any particular option granted under the New Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price shall at least be the highest of:

- (i) the nominal value of the Shares;
- (ii) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of Offer, which shall be a Business Day; and
- (iii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the date of Offer;

SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

or (where applicable) such price as from time to time adjusted pursuant to the New Share Option Scheme.

4. ACCEPTANCE OF OFFER

Any Offer of option may be accepted, in whole or in part, in a board lot of dealing in Shares on the Stock Exchange or an integral multiple thereof and in writing received by any Director or the secretary of the Company until 5:00 p.m. on the date specified in the Offer provided that no such Offer shall be open for acceptance after the expiry of the Scheme Period or after the New Share Option Scheme has been terminated in accordance with the rules thereof.

5. MAXIMUM NUMBER OF SHARES FOR WHICH OPTIONS MAY BE GRANTED

The total number of the Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any schemes of the Group shall not in aggregate exceed the Limit. Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Limit.

Subject to the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Company may refresh the Limit provided that:

- (i) the Limit as refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed Limit;
- (ii) the options previously granted (including those outstanding, cancelled, lapsed in accordance with the provisions of the New Share Option Scheme or exercised Options) will not be counted for the purpose of calculating the Limit as refreshed; and
- (iii) a circular containing the information and the disclaimer respectively required under Rule 17.02(2)(d) and Rule 17.02(4) of the Listing Rules shall be despatched to the Shareholders together with the notice of the relevant general meeting.

The Company may also with the approval of Shareholders in general meeting grant options beyond the Limit or the refreshed Limit (as the case may be) provided that the options in excess of the Limit or the refreshed Limit (as the case may be) are granted only to Eligible Participants specifically identified by the Company before such approval is sought and provided further that a circular containing a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the information and the disclaimer respectively required under Rule 17.02(2)(d) and Rule 17.02(4) of the Listing Rules, the purpose of granting options to the specified Eligible Participants and how the terms of the options serve such purpose shall be despatched to the Shareholders together with the notice of the relevant general meeting.

SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

The total number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other schemes of the Group shall not exceed 30% of the Shares in issue from time to time. No Offer may be made under the New Share Option Scheme if this will result in the aforementioned limit being exceeded.

6. MAXIMUM NUMBER OF OPTIONS TO EACH PARTICIPANT

The total number of Shares issued and to be issued upon the exercise of options granted and to be granted to each Eligible Participant (including both exercised and outstanding options) in any period of twelve (12) consecutive months up to and including the date of grant shall not exceed 1% of the Shares in issue as at the date of grant.

Any grant of further options in excess of this 1% limit shall be subject to:

- (i) the issue of a circular by the Company containing the identity of the Eligible Participant involved, the number and terms of options granted and to be granted and the information and the disclaimer respectively required under Rule 17.02(2)(d) and Rule 17.02(4) of the Listing Rules and shall be despatched to the Shareholders together with the notice of the relevant general meeting; and
- (ii) the approval of the shareholders in general meeting and/or the requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his associates abstaining from voting.

The number and terms (including the option price) of options to be granted to such Eligible Participant should be fixed before the general meeting and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant of the options for the purpose of calculating the offer price of the Shares.

7. GRANT OF OPTIONS TO CONNECTED PERSONS

Any grant of options to a Director, chief executive or substantial Shareholder (as defined in the Listing Rules) of the Company or any of their respective associates, must be approved by all the independent non-executive Directors (excluding independent non-executive Director who is proposed to be an option holders).

If the Company proposes to grant options to a substantial Shareholder of the Company or an independent non-executive Director or any of their respective associates which will result in the number of Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the period of twelve (12) consecutive months up to and including the date of grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares at the date of grant, in excess of HK\$5 million,

SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

such further grant of options will be subject to the issue of a circular by the Company together with the notice of the relevant general meeting and the approval of the Shareholders in general meeting at which all connected persons of the Company shall be required to abstain from voting in favour of the relevant resolution at such general meeting except that any connected person may vote against the relevant resolution at the general meeting provided that his intention to vote against the proposed grant has been stated in the Shareholders' circular, and/or such other requirements prescribed under the Listing Rules from time to time.

8. RESTRICTIONS ON THE TIMES OF GRANT OF OPTIONS

No Offer shall be made after a price sensitive development has occurred or a price sensitive matter has been the subject of a decision, until an announcement of such price sensitive information has been published in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:

- (i) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for publishing of an announcement of the Company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

9. TRANSFERABILITY OF OPTIONS

An option shall be personal to the option holder and shall not be transferable or assignable. No option holder shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any other person over or in relation to any option, except for the transmission of an option on the death of the option holder to his personal representative(s) on terms of the New Share Option Scheme. Any breach of the foregoing shall entitle the Company to cancel the relevant grantee's outstanding options in whole or in part without incurring any liability on the part of the Company.

10. EXERCISE PERIOD AND DURATION OF THE SHARE OPTION SCHEME

Subject to the rules of the New Share Option Scheme, options may be exercised by an Eligible Participants (or in the case of his death, his personal representative(s), in whole or in part, at any time during the period commencing from the date of grant and ending on such date as the Board may determine in granting the option but in any event not exceeding ten (10) years from the date of grant except that no option may be exercised until the expiry of 12 months after the date of grant. Subject to earlier termination by the Company in general meeting, the New Share Option Scheme shall be valid

SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

and effective for a period commencing from 7 November 2013 and expiring at 5:00 p.m. on the Business Day preceding the tenth anniversary of such date, after which no further options may be granted but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect.

11. RIGHTS OF EXERCISE FOR OPTION HOLDERS

An Eligible Participant to whom any option is granted is required to satisfy all the conditions (including any performance target) imposed by the Board before he may exercise any of his options.

No Director shall deal in any securities of the Company unless he fully complies with the provisions of the Model Code for Securities Transactions by Director of Listed Issuers of the Listing Rules from time to time.

No option may be exercised by an Eligible Participant who is under full time employment with the Company or a subsidiary until he shall have completed half year's full time service with the Company or a subsidiary.

In the event that an option holder ceases to be an Eligible Participant under the New Share Option Scheme during any relevant option period:

- (i) by reason of ill health, injury, disability or death (all evidenced to the satisfaction of the Directors), or because his employing company ceases to be a member of the Group, then any outstanding Offer to him shall lapse and he or his personal representative(s) (as the case may be) may exercise all his options within a period of six (6) months of such ill-health, injury, disability, death or cessation, failing which such options shall lapse and determine at the end of the relevant period;
- (ii) by reason of retirement in accordance with his contract of employment or upon expiration of his contract of employment or term of directorship, then any outstanding Offer to him shall lapse and he may exercise all his options within six (6) months after he so retires or expiration of his contract of employment or term of directorship, failing which such options shall lapse and determine at the end of the relevant period;
- (iii) by reason of voluntary resignation other than by reason of the circumstances set out above or by termination of his employment in accordance with the termination provisions of his contract of employment by his employing company before exercising his options in full, such options and any outstanding Offer to him shall lapse and determine on the date of the resignation or termination;

provided always that in each case, the Board may in its absolute discretion decide that such options shall not so lapse or determine subject to such conditions or limitations as the Board may decide.

SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

12. RIGHTS ON GENERAL OFFERS

If a general offer by way of takeover is made to all the Shareholders and the offeror shall have obtained control of the Company as a consequence, option holders shall, subject to paragraph 11 above, be entitled at any time within the period of one month after control has been obtained to exercise the option in whole or in part (to the extent not already exercised), notwithstanding any restrictions in the terms of grant of the option which would otherwise have prevented the option from being exercised during such period. Any option that has not been so exercised within the one-month period shall cease and determine.

13. RIGHTS ON WINDING-UP

In the event that a notice is duly given of a general meeting at which a resolution will be proposed for the voluntary winding-up of the Company, every option shall subject to paragraph 11 above be exercisable in whole or in part (but so that any exercise hereunder shall only be valid if, at the time of such resolution being passed, the option shall not have ceased and determined in accordance with any provisions of the New Share Option Scheme) at any time thereafter until such resolution is duly passed or defeated or the general meeting concluded or adjourned sine die, whichever shall first occur. If such resolution is duly passed, all options shall, to the extent that they have not been exercised, thereupon cease and determine and all outstanding Offers shall lapse.

14. RIGHTS ON COMPROMISE OR ARRANGEMENT BETWEEN THE COMPANY AND ITS MEMBERS OR CREDITORS

If a compromise or arrangement between the Company and the Shareholders or between the Company and its creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all option holders on the same date as it despatches the notice which is sent to each Shareholder or creditor of the Company summoning the meeting to consider the compromise or arrangement, and thereupon each option holder (or where permitted his personal representatives) shall forthwith and until the expiry of the period commencing with that date and ending with the earlier of the date two (2) calendar months thereafter or the date on which the compromise or arrangement is sanctioned by the court be entitled to exercise his option, but the exercise of an option as aforesaid shall be conditional upon the compromise or arrangement being sanctioned by the court and becoming effective. Upon the compromise or arrangement becoming effective, all options shall lapse except insofar as exercised under this paragraph and all outstanding Offers shall lapse. The Company may thereafter require each option holder to transfer or otherwise deal with the Shares issued as a result of the exercise of options in these circumstances so as to place the option holder in the same position as nearly as would have been the case had the Shares been subject to the compromise or arrangement.

SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

15. RANKING OF SHARES ISSUED UPON EXERCISE OF OPTIONS

A Share to be allotted and issued upon the exercise of an option shall not carry voting rights until the registration of the option holder (or any other person nominated by the option holder) as the holder thereof. Subject to the aforesaid, Shares allotted and issued upon the exercise of an option will rank pari passu in all respects with Shares in issue on the date of the exercise and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation, as attached to the other fully-paid Shares in issue on the date of exercise, save that they will not rank for any dividend or other distribution declared or recommended or resolved to be paid or made by reference to a record date falling on or before the date of exercise.

16. EFFECT ON REORGANISATION OF CAPITAL STRUCTURE

Upon any variation in the share capital of the Company arising from any reduction, sub-division or consolidation of share capital of the Company, any rights issue or the issue of any share capital of the Company by way of capitalisation of profits or reserves or in connection with an open offer to the Shareholders (each a “**Relevant Event**”), the number or nominal amount of Shares comprised in each option and/or the option price thereunder may be adjusted in any manner as the Board (having received a statement in writing from the auditors or an approved independent financial adviser, acting as experts and not as arbitrators, that in their opinion the adjustments proposed satisfy the requirements set out in the note to Rule 17.03(13) of the Listing Rules and/or the rules, requirements and guidelines issued by the Stock Exchange from time to time) may deem appropriate provided always that:

- (i) no increase shall be made in the aggregate subscription price relating to any option;
- (ii) any adjustments should give an option holder the same proportion of the share capital of the Company as that to which he was previously entitled prior to such adjustments;
- (iii) no adjustments shall be made which will enable a Share to be issued at less than its nominal value; and
- (iv) where the Relevant Event arises from an issue of Shares, reference herein to options shall include references to options that have been exercised prior to the date of the adjustment in respect of Shares which otherwise do not rank and are not entitled to participate in the issue by reason of the option holder not having been then registered as the holder of the relevant Shares.

17. LAPSE OF OPTION

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the date of expiry of the option as may be determined by the Board;
- (ii) the date on which the option holder commits a breach as referred to in paragraph 9 above; and

SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

(iii) the date of lapse as referred to in paragraphs 11, 12, 13 or 14 above.

18. ALTERATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (i) any alteration to the advantage of the option holders (present or future) or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; and
- (ii) any material alteration to the terms and conditions of the New Share Option Scheme or any change to the terms of options granted

shall first be approved by the Shareholders in general meeting except where the proposed alteration takes effect automatically under the existing terms of the New Share Option Scheme. Any alteration to the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme must be approved by Shareholders in general meeting.

Any term of the New Share Option Scheme as altered must comply with the Listing Rules.

19. CANCELLATION OF OPTIONS

Any unexercised option may be cancelled if the relevant option holder so agrees. Issuance of new options to the same option holder may only be made if there are unissued options available under the New Share Option Scheme (excluding the cancelled options) within the Limit (or the refreshed Limit as referred to in paragraph 5 above) and in compliance with the terms of the New Share Option Scheme in force from time to time.

20. TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company by ordinary resolution in general meeting may at any time terminate the operation of the New Share Option Scheme and in such event no further options will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme and options granted prior to such termination shall continue to be valid and exercisable in accordance with the rules of the New Share Option Scheme.

21. ADMINISTRATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme shall be subject to the administration of the Board whose decision in any disputes relating to an option or matter relating to the New Share Option Scheme shall be final and binding on all parties.

SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

22. CONDITIONS

The New Share Option Scheme is conditional upon the approval of the scheme and the listing of, and permission to deal in any Shares to be issued pursuant to the exercise of options under the New Share Option Scheme, being granted by the Listing Committee of the Stock Exchange. If the aforesaid conditions are not fulfilled, then:

- (a) the New Share Option Scheme shall forthwith determine;
- (b) any option granted or agreed to be granted pursuant to the rules of the New Share Option Scheme and any Offer shall forthwith lapse and be of no effect; and
- (c) no person shall be entitled to any rights or benefits or be under any obligation under or in respect of the New Share Option Scheme, or any outstanding Offer or option.

NOTICE OF EGM

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: 00947)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of MOBI Development Co., Ltd. (the “**Company**”) will be held at 10:00 a.m. on Thursday, 7 November 2013 at MOBI Building, 7 Langshan First Road, Science and Technology Park, Nanshan District Shenzhen, Guangdong Province, the PRC for the purpose of considering and, if thought fit, with or without amendments, passing the following resolution which will be proposed as ordinary resolution:

ORDINARY RESOLUTION

“**THAT**:

subject to and conditional upon The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the share option scheme referred to in the circular despatched to the shareholders of the Company on the same day as this notice, the terms of which are set out in the printed document marked “A” now produced to this meeting and for the purpose of identification signed by the Chairman of this meeting hereof (the “**New Share Option Scheme**”), the New Share Option Scheme be approved and adopted to be the share option scheme of the Company and with effect from the date of the New Share Option Scheme becoming unconditional and coming into effect, the existing share option scheme of the Company which was adopted by the Company on 25 November 2009 be terminated and that the Directors be authorised:

- (a) to grant options thereunder and to allot and issue Shares pursuant to the New Share Option Scheme;
- (b) to alter and/or modify the New Share Option Scheme from time to time provided that such alteration and/or modification is effected in accordance with the provisions of the New Share Option Scheme relating to the alteration and/or modification and subject to Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”);

NOTICE OF EGM

- (c) to allot and issue from time to time such number of shares of the Company as may be required to be allotted and issued pursuant to the exercise of options granted under the New Share Option Scheme and subject to the Listing Rules; and
- (d) to take all such steps as may be necessary or desirable to implement the New Share Option Scheme.”

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

Hong Kong, 21 October 2013

Notes:

1. Any member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member of the Company who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member of the Company who is an individual or a member of the Company which is a corporation is entitled to exercise the same powers on behalf of the member of the Company which he or they represent as such member of the Company could exercise.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.
3. The instrument appointing a proxy and (if required by the Board of Directors of the Company) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event no later than forty-eight (48) hours before the time appointed for holding the extraordinary general meeting or adjournment thereof at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
4. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. The register of members of the Company will be closed from Tuesday, 5 November 2013 to Thursday, 7 November 2013, both days inclusive, during which period no transfer of shares will be effected. In order to be entitled 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 Monday, 4 November 2013.
6. Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.