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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

*If you have sold or transferred all your Shares, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.*

*The Exchange takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.*

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**VODATEL NETWORKS HOLDINGS LIMITED**

**愛達利網絡控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

Stock Code: 8033

**DISCLOSEABLE TRANSACTION  
in relation to the disposal of Sale Shares**

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*This circular will remain on the "Latest Company Announcement" page of the GEM Website for at least seven days from the date of publication and on [www.vodatelsys.com](http://www.vodatelsys.com).*

\* for identification purpose only

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## CHARACTERISTICS OF GEM

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GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Exchange. Listed companies are not generally required to issue paid announcements in Gazetted Newspapers. Accordingly, prospective investors should note that they need to have access to the GEM Website in order to obtain up-to-date information on GEM-listed issuers.

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## DEFINITIONS

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

“Agreement”	the sale and purchase agreement entered into between VHL, the Purchaser, the Company and Sun Ho on 30th May, 2006
“Associate(s)”	has the same meaning ascribed thereto in the GEM Listing Rules
“Associated Corporations”	corporations:  <ol style="list-style-type: none"><li>1. which are subsidiaries or holding companies of the Company or subsidiaries of the holding company of the Company; or</li><li>2. (not being subsidiaries of the Company) in which the Company has an interest in the shares of a class comprised in its share capital exceeding in normal value one-fifth of the nominal value of the issued share of that class</li></ol>
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Business Days”	days (other than Saturdays and days on which a typical cyclone warning signal number 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“BVI”	the British Virgin Islands
“Chief Executive”	a person who either alone or together with one or more other persons is or will be responsible under the immediate authority of the Board for the conduct of the business of the Company
“Commission”	the Securities and Futures Commission established under section 3 of the Securities and Futures Commission Ordinance and continuing in existence under section 3 of the SFO
“Company”	Vodatel Networks Holdings Limited
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Agreement
“Completion Date”	13th June, 2006

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## DEFINITIONS

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“Connected Person(s)”	a Director, Chief Executive, Substantial Shareholder or Management Shareholder or any of its subsidiaries or an Associate of any of them
“CPPCC”	Chinese People’s Political Consultative Conference
“Director(s)”	the director(s) of the Company
“ERL”	Eve Resources Limited, a company incorporated in BVI with limited liability
“Exchange”	The Stock Exchange of Hong Kong Limited, a company incorporated in Hong Kong with limited liability
“Financial Adviser”	Partners Capital International Limited, a company incorporated in Hong Kong with limited liability and the financial adviser to the Purchaser in respect of the Offer
“Gazetted Newspapers”	those newspapers which are, from time to time, specified in the list of newspapers issued and published in the Gazette for the purposes of section 71A of the Companies Ordinance (Cap. 32 of the Laws of Hong Kong) as amended from time to time by the Chief Secretary of the Government of Hong Kong
“GEM”	the Growth Enterprise Market operated by the Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM made by the Exchange from time to time
“GEM Website”	the internet website operated by the Exchange for the purposes of GEM
“Group”	the Company and its subsidiaries
“GVDL”	廣州市愛達利發展有限公司, incorporated in the PRC with limited liability and an indirectly owned subsidiary of the Company
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC (not applicable to The Stock Exchange of Hong Kong Limited and the Hong Kong Institute of Certified Public Accountants)
“Latest Practicable Date”	22nd June, 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“LRL”	Lois Resources Limited, a company incorporated in BVI with limited liability

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## DEFINITIONS

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“Macao”	the Macao Special Administrative Region of the PRC (not applicable to the Macao Chamber of Commerce, the Macao Junior Chamber of Commerce and Macao Special Administrative Region Basic Law Committee)
“Main Board”	the stock market operated by the Exchange prior to the establishment of GEM (excluding the options market) and which stock market continues to be operated by the Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM
“Mainland China”	the PRC, other than the regions of Hong Kong, Macao and Taiwan
“Management Shareholder(s)”	any person who is (or a group of persons who together are) entitled to exercise or control the exercise of 5% or more of the voting power at general meetings of the Company and who is (or are) able, as a practical matter, to direct or influence the management of the Company
“Member(s)”	holder(s) of Shares
“MIHL”	MegaInfo Holdings Limited, incorporated in Bermuda with limited liability, an indirectly owned subsidiary of the Company prior to completion of the sale of the Sale Shares and Shares of MIHL are listed on GEM
“Offer”	the unconditional cash offer to be made by the Financial Adviser on behalf of the Purchaser to the holders of the Shares of MIHL (other than the Purchaser and parties with whom the Purchaser are acting in concert (as such term is defined in the Takeovers Code) for their Shares of MIHL in compliance with the Takeovers Code, and the comparable offer to be made in accordance with the Takeovers Code by the Purchaser for other equity securities of MIHL
“PRC”	The People’s Republic of China
“Purchaser”	MAXPROFIT GLOBAL INC, a company incorporated in BVI with limited liability. The Purchaser is not a Connected Person
“Sale Shares”	326,617,500 Shares of MIHL
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company

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## DEFINITIONS

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“Shares of MIHL”	shares of HK\$0.01 each in the capital of MIHL
“Substantial Shareholder(s)”	in relation to a company means a person who is entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers as amended from time to time
“TCM”	Teleconcept-Multimedia N.V., incorporated in the Netherlands with limited liability and an indirectly owned subsidiary of the Company
“The Netherlands”	The Kingdom of the Netherlands
“USA”	The United States of America
“VHL”	Vodatel Holdings Limited, incorporated in BVI with limited liability and a direct wholly-owned subsidiary of the Company

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LETTER FROM THE BOARD

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**VODATEL NETWORKS HOLDINGS LIMITED**

**愛達利網絡控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

Stock Code: 8033

**Executive Directors**

José Manuel dos Santos  
Yim Hong  
Kuan Kin Man  
Monica Maria Nunes

**Independent Non-Executive Directors**

Chui Sai Cheong  
Lo King Chiu Charles  
Fung Kee Yue Roger

**Registered Office**

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

**Head Office and Principal  
Place of Business**

74 da Rua da Felicidade  
Edifício Vodatel  
Taipa  
Macao

**Principal Place of Business  
in Hong Kong**

Unit 3201, 32nd Floor  
AIA Tower  
183 Electric Road  
North Point

26th June, 2006

*To Members*

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION  
in relation to the disposal of Sale Shares**

**INTRODUCTION**

Further to the announcements of the Company dated 6th and 13th June, 2006, the Board is pleased to announce that on 30th May, 2006, the Agreement relating to the sale of the Sale Shares, representing 61.05% of the issued share capital of MIHL, for an aggregate of HK\$10,378,500 (or approximately HK\$0.0318 per Sale Share) has been entered into between VHL and the Purchaser. The Agreement was completed on 13th June, 2006.

\* for identification purpose only



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## LETTER FROM THE BOARD

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The sale of the Sale Shares contemplated under the Agreement constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

The Directors are of the view that the terms of the Agreement were normal commercial terms which were fair and reasonable and in the best interests of the Company and the Members as a whole.

The purpose of this circular is to provide you with further information in relation to the Agreement. This circular also includes details required to be given to the Members pursuant to rule 19.64 of the GEM Listing Rules in respect of discloseable transactions.

### **PARTICULARS OF THE AGREEMENT**

1. **Date**

30th May, 2006

2. **Parties**

(a) The Purchaser

(b) VHL

(c) The Company, as the warrantor of VHL

(d) Sun Ho, as the warrantor of the Purchaser

3. **Assets to be disposed**

The Sale Shares.

4. **Consideration**

HK\$10,378,500 in aggregate (or approximately HK\$0.0318 per Sale Share), which shall be satisfied by the Purchaser in cash.

The Consideration was agreed after arm's length negotiations between VHL and the Purchaser by reference to recent similar market transactions and the financial effects of the transaction on the Group. The disposal represented a premium of approximately HK\$7,139,000 to the 61.05% of the net asset value of MIHL as at 31st March, 2006, which is also the expected gain to be accrued to the Company, calculated as the difference between the consideration and the share of the Company of the net asset value of MIHL. Accordingly, following the disposal of the Sale Shares, the net asset value of the Group will be increased by the same amount and there will be no change to the liabilities of the Group.

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## LETTER FROM THE BOARD

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The consideration per Sale Share represents an estimated profit of approximately HK\$0.01 based on the net asset value of each Sale Share as reflected in the unaudited consolidated balance sheet of MIHL as at 31st March, 2006. Since its listing, MIHL had not declared any dividends.

The Group intends to retain the proceeds resulting from the sale of the Sale Shares as general working capital.

### 5. Conditions

Completion is conditional upon:

- (a) the Shares of MIHL remaining listed and traded on GEM at all times from the date of the Agreement up to (and including) the Completion Date, save for any temporary suspension not exceeding ten consecutive Business Days for the purposes of clearing any announcement and circular in relation to the sale and purchase of the Sale Shares and/or the Offer by the regulatory authorities;
- (b) trading in the Shares of MIHL on GEM not being revoked or withdrawn at any time prior to the Completion Date;
- (c) there being no indication from the Exchange or the Commission prior to the Completion Date that listing of the Shares of MIHL will be suspended, revoked or withdrawn at any time after Completion, whether in connection with any of the transactions contemplated by the Agreement or otherwise;
- (d) all necessary Members' approval as may be required by the Company in respect of the sale of the Sale Shares and the transactions contemplated under the Agreement and under the GEM Listing Rules;
- (e) the warranties of the Purchaser remaining true and accurate in all material respects;
- (f) the warranties of VHL remaining true and accurate in all material respects; and
- (g) the publication of the joint announcement in relation to the Agreement by or on behalf of MIHL and the Purchaser which has been cleared by the Exchange and the Commission.

The Purchaser may at any time by notice in writing to VHL waive any of the conditions set out in (a), (b), (c), (f) and (g) above and such waiver may be made subject to such terms and conditions as are determined by the Purchaser. VHL may at any time by notice to the Purchaser waive the condition set out in (e) above and such waiver may be made subject to such terms and conditions as are determined by VHL. If any of the conditions set out above has not been satisfied and/or waived at or before 12:00 noon on 29th July, 2006 being the date falling sixty days after the date of the Agreement or such other date as both the Purchaser and VHL may agree, the Agreement shall cease and determine and none of the parties thereto shall have any obligations and liabilities thereunder save for any antecedent breaches of the terms thereof.

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## LETTER FROM THE BOARD

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### 6. Completion Date

13th June, 2006

MIHL ceases to be a subsidiary of the Company following completion of the Agreement and the Company has no more shareholding interest in MIHL.

### INFORMATION ON THE COMPANY

The Group carries the vision to deliver high quality solutions to customers allowing them to manage their business and reach out for infotainment services, anywhere and anytime. The Group principally engages in the provision of network and system infrastructure, enterprise solutions and multimedia value-added services.

The Group provides an integrated services in network and system infrastructure ranging from network and system planning, design, provision of network equipment and software, installation and implementation to maintenance and technical support for public telecommunications service providers, such as China Telecom, China Netcom, China Unicom and China Mobile, and enterprises in selected vertical markets in Mainland China and Macao, such as gaming operators, cable TV operators, electricity bureaus and governmental authorities.

The Group is also engaged in the provision of multimedia value-added services in the Asia Pacific Region and Europe, offering mobile and fixed line services such as content and campaign management, distribution and billing via a number of platforms including interactive voice response, interactive internet solutions and premium rate short message services.

Headquartered in Macao and listed on GEM, the Group enjoys a leadership position in Macao and seeks to further expand its penetration into the global market.

### INFORMATION ON THE PURCHASER

The Purchaser is an investment holding company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and Sun Ho are not Connected Persons, and that the Directors believe that Sun Ho is the sole director and the ultimate beneficial owner of the Purchaser.

### INFORMATION ON MIHL

Headquartered in Macao, MIHL is principally engaged in the provision of enterprise solutions for targeted customers in Macao and Mainland China. Shares of MIHL are listed on GEM. MIHL specialises in the research and development of innovative and quality value-added applications that aim to increase operating effectiveness and efficiencies of enterprises. MIHL offers an array of enterprise solutions including *MegaImage* (document imaging application), *MegaMax* (surveillance solution), *MegaDMS* (document management system) and *MegaERP* (enterprise resource planning

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## LETTER FROM THE BOARD

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application), and a range of services including installation, testing and commissioning, after-sales support and scanning services. Targeted customers of MIHL include mobile service bureaus, telecommunications service providers, governmental authorities, hospitals and enterprises in Macao and Mainland China.

The audited losses of MIHL before and after taxation for the two years ended 30th June, 2004 and 30th June, 2005 were approximately HK\$6,589,000 and HK\$22,621,000 respectively. The unaudited losses of MIHL was approximately HK\$2,495,000 for the nine-month period ended 31st March, 2006.

### REASONS FOR THE DISPOSAL

The Directors consider that through the disposal of all its shareholding in MIHL will allow the Group to further focus on the provision of network and system software and infrastructure for telecommunications service providers in Mainland China and gaming and hotel operators and enterprises in Macao and to provide further financial resources to the Group for general working capital.

The Board considers that the terms of the Agreement were arrived at after arm's length negotiations with the Purchaser and the terms of the Agreement are fair and reasonable, and the entering into the Agreement by VHL, with the Company as the warrantor of VHL, are in the interests of the Company and the Members as a whole.

### GENERAL

The disposal of the Sale Shares constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

Your attention is drawn to the additional information contained in the appendix to this circular.

Yours faithfully,  
By order of the Board  
**José Manuel dos Santos**  
*Chairman*

**RESPONSIBILITY STATEMENT**

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

1. the information contained in this circular is accurate and complete in all material respects and not misleading;
2. there are no other matters the omission of which would make any statement in this circular misleading; and
3. all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

**DISCLOSURE OF INTERESTS**

1. **Directors' interests and short positions in Shares, underlying Shares and debentures of the Company or any Associated Corporations**

As at the Latest Practicable Date, the relevant interests and short positions of the Directors or Chief Executive in the Shares, underlying Shares and debentures of the Company or its Associated Corporations which will be required to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he took or deemed to have under such provisions of the SFO) or required pursuant to section 352 of the SFO, to be entered in the register referred to therein or required, pursuant to rules 5.46 to 5.68 of the GEM Listing Rules relating to securities transactions by the Directors to be notified to the Company and the Exchange were as follows:

**Aggregate long and short positions in the Shares and underlying Shares (in respect of equity derivatives)**

<b>Name of Director</b>	<b>Long position/short position</b>	<b>Nature of interest</b>	<b>Number of Shares held</b>	<b>Number of underlying Shares (in respect of share options) held</b>	<b>Approximate % of the issued share capital of the Company</b>
José Manuel dos Santos	Long position	Corporate interest/founder of a discretionary trust (note (a))	293,388,000	—	47.08%
	Long position	Personal (note (b))	—	600,000	0.10%
	Short position	Corporate interest (note (c))	—	12,726,000	2.07%

Name of Director	Long position/short position	Nature of interest	Number of Shares held	Number of underlying Shares (in respect of share options) held	Approximate % of the issued share capital of the Company
Yim Hong	Long position	Personal (note (d))	7,357,500	900,000	1.35%
Kuan Kin Man	Long position	Personal (note (e))	12,262,500	900,000	2.14%
Monica Maria Nunes	Long position	Personal (note (f))	2,452,500	900,000	0.55%
Fung Kee Yue Roger	Long position	Personal (note (g))	210,000	—	0.03%

## Notes:

- (a) As at the Latest Practicable Date, these Shares were held in the name of ERL. The entire issued share capital in ERL was held by LRL, a company wholly-owned by José Manuel dos Santos as trustee of the discretionary objects and which assets included a controlling stake of 47.8% of the issued share capital of the Company.
- (b) The personal interest of José Manuel dos Santos comprised 600,000 underlying Shares in respect of share options granted to him by the Company. The aforesaid interest was held by José Manuel dos Santos as beneficial owner.
- (c) Options were granted by the Company under a share option scheme. Since José Manuel dos Santos was interested in more than one-third of the issued share capital of the Company as at the Latest Practicable Date, he was deemed to have a short position in the 12,726,000 underlying Shares.
- (d) The personal interest of Yim Hong comprised 7,357,500 Shares and 900,000 underlying Shares in respect of share options granted to him by the Company. The aforesaid interest was held by Yim Hong as beneficial owner.
- (e) The personal interest of Kuan Kin Man comprised 12,262,500 Shares and 900,000 underlying Shares in respect of share options granted to him by the Company. The aforesaid interest was held by Kuan Kin Man as beneficial owner.
- (f) The personal interest of Monica Maria Nunes comprised 2,452,500 Shares and 900,000 underlying Shares in respect of share options granted to her by the Company. The aforesaid interest was held by Monica Maria Nunes as beneficial owner.
- (g) The personal interest of Fung Kee Yue Roger comprised 210,000 Shares. The aforesaid interest was held by Fung Kee Yue Roger as beneficial owner.

## 2. Substantial Shareholders' interests and short positions in the Shares and underlying Shares

The register of Substantial Shareholders required to be kept under section 336 of Part XV of the SFO shows that as at the Latest Practicable Date, the Company had been notified of the following Substantial Shareholders' interests and short positions. These interests are in addition to those disclosed above in respect of the Directors and Chief Executive:

### Aggregate long and short positions in the Shares and underlying Shares (in respect of equity derivatives)

Name	Long position/short position	Nature of interest	Number of Shares held	Number of underlying Shares (in respect of share options) held	Approximate % of the issued share capital of the Company
ERL	Long position	Corporate interest (note (a))	293,388,000	—	47.80%
	Short position	Corporate interest (note (b))	—	12,726,000	2.07%
LRL	Long position	Corporate interest (note (a))	293,388,000	—	47.80%
	Short position	Corporate interest (note (b))	—	12,726,000	2.07%
Lei Hon Kin (note (c))	Long position	Family interest	293,988,000	—	47.89%
	Short position	Corporate interest	—	12,726,000	2.07%

Notes:

- (a) As at the Latest Practicable Date, these Shares were held in the name of ERL. The entire issued share capital in ERL was held by LRL.
- (b) Options were granted by the Company under a share option scheme. Since both ERL and LRL were interested in more than one-third of the issued share capital of the Company as at the Latest Practicable Date, they were deemed to have a short position in the 12,726,000 underlying Shares.
- (c) Lei Hon Kin, the spouse of José Manuel dos Santos, was deemed to be interested in all the interests of José Manuel dos Santos.

**Substantial shareholding in other members of the Group**

<b>Name of indirectly owned subsidiary of the Company and place of incorporation</b>	<b>Name of member and place of incorporation (companies only)</b>	<b>% of the issued share capital of the subsidiary held by the member</b>
GVDL (PRC)	Ho Wai Sam	23%
GVDL (PRC)	Wong Chi Ping	23%
廣州市圖文資訊有限公司 (PRC)	呂晚昌	18.18%
Guangzhou Thinker Vodatel Limited (PRC)	廣州創想科技有限公司 (PRC)	40%
TCM (The Netherlands)	Tempestaete Beheer B.V. (The Netherlands) (note (d))	11%
TCM (The Netherlands)	Umbrella Television Productions B.V. (The Netherlands) (note (e))	21%
Vodatel Integrated Solutions Limited (Hong Kong)	Kung Hon Sun Marius	25%

Notes:

- (d) The entire issued share capital of Tempestaete Beheer B.V. is ultimately held by Pieter Willem Francois Marie Storms, a director of TCM.
- (e) The entire issued share capital of Umbrella Television Productions B.V. is ultimately held by Harold Anton Aart Bart Skene and George Johan Skene.

Save as disclosed above, the Directors are not aware of any person (other than Directors or Chief Executive) who, as at the Latest Practicable Date, has interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which will be recorded in the register required to be kept under section 336 of the SFO, or who is expected, directly or indirectly, to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

**COMPETING INTERESTS**

As at the Latest Practicable Date, none of the Directors, senior management, the Management Shareholders or Substantial Shareholders or any of their respective Associates have any interest in a business, which competes or may compete with the business of the Group.

**LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.



**SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors has entered into any service contract proposed which is not determinable by the Group within one year without payment of any compensation other than statutory compensation.

**GENERAL**

1. The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
2. The head office and principal place of business of the Company is at 74 da Rua da Felicidade, Edifício Vodatel, Taipa, Macao.
3. The principal place of business of the Company in Hong Kong is at Unit 3201, 32nd Floor, AIA Tower, 183 Electric Road, North Point.
4. The branch share registrar of the Company in Hong Kong is Abacus Share Registrars Limited at Level 28, Three Pacific Place, 1 Queen's Road East.
5. The company secretary and qualified accountant of the Company is Foo Chun Ngai Redford. He is a Fellow of the Association of Chartered Certified Accountants and a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants. He was admitted to Graduateship of The Institute of Chartered Secretaries and Administrators.
6. The compliance officer of the Company is Monica Maria Nunes. She holds a Certified Management Accountant Designation of Certified Management Accountants of Alberta, Canada.
7. The Audit Committee comprises the three independent non-executive Directors, Chui Sai Cheong, Lo King Chiu Charles and Fung Kee Yue Roger. Chui Sai Cheong is the chairman of the Audit Committee. The primary duties of the Audit Committee are to assist the Board in considering how it will apply the financial reporting and internal control principles and for maintaining an appropriate relationship with the auditors of the Company. Biographical details of members of the Audit Committee are as follows:

**CHUI SAI CHEONG**

CHUI Sai Cheong, aged 52, was first appointed as an independent non-executive Director on 14th December, 1999. He is a certified public auditor, a civil constructor in Macao and a fellow of CPA Australia with a Master Degree in Business Administration from Chaminade University of Honolulu, USA. He is a member of several key governmental committees in the PRC. They include the National Committee of the CPPCC, the Macao Special Administrative Region Basic Law Committee under the National People's Congress Standing Committee, the Executive Committee and Standing Committee of All-China Federation of Industry and Commerce, the Legislative Assembly of Macao, the Preparatory Committee of Macao, the Selection Committee for the first Government of Macao and the Election Committee of the second Government of

Macao. He also holds several prominent positions in professional bodies including the Macao Chamber of Commerce (vice-president of board of directors), the Macao Management Association (president) and the Association of Economic Sciences of Macau (president). He is an independent non-executive director of MIHL, Innovo Leisure Recreation Holdings Limited (a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board) and Cheung Tai Hong Holdings Limited (a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board) and a non-executive director of Honesty Treasure International Holdings Limited (a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board).

#### **LO KING CHIU CHARLES**

LO King Chiu Charles, aged 62, was first appointed as an independent non-executive Director on 14th December, 1999. He holds a Bachelor of Arts degree and major in economics from Lake Forest University, USA in 1967. He is a member of Jiangxi Province Committee, CPPCC. He is the special advisor to president (Asia) of the University of Victoria, Canada and is a consultant on public relations for British American Tobacco p.l.c. in Macao. He is also the founder of the Macao Junior Chamber of Commerce and past president of the Rotary Club of Macau.

#### **FUNG KEE YUE ROGER**

FUNG Kee Yue Roger, aged 53, was first appointed as an independent non-executive Director on 30th September, 2004. He is the managing director of Mitel Networks Asia Pacific Limited, a wholly-owned subsidiary of Mitel Networks Corporation in Canada. He graduated from the University of Toronto, Canada with a Bachelor of Applied Science degree in industrial engineering. He was a member of Professional Engineers Ontario, Canada. He has more than twenty years of experience in the telecommunications and electronics industry.

8. The English text of this circular shall prevail over the Chinese text in the event of inconsistency.