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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

Profit Warning and Delay in the Announcement of Results for the Eighteen-Month Period

The Board wishes to inform Members and investors that, as a result, primarily, of impairment of goodwill arising from the acquisition of Teleconcept-Multimedia N.V. (incorporated in the Kingdom of the Netherlands with limited liability and an indirect subsidiary of the Company) and other assets, provisions made in respect of bad debts against certain trade receivables and the write-off of certain slow moving telecommunications equipment in the inventories due to the prolonged slowdown of infrastructure spending by the telecommunications service providers in the PRC, the Group is expected to record a loss for the Eighteen-Month Period. The Eighteen-Month Period is a result of recent change in year end to 31st December, the details of which are set out in the announcement of the Company dated 19th July, 2004.

In addition, due to the delay of the completion of the audit of the results of STASA as the result of a fire in a building adjacent to the office of STASA in Madrid, Spain which prevented access to the office premises of STASA, the auditors of the Company have yet to complete the audit of the financial statements of the Company for the Eighteen-Month Period. Consequently after discussions with its auditors, the Company is expecting a delay in the publication of its results for the Eighteen-Month Period and is unlikely to be able to do so by 31st March, 2005, being the time prescribed under the GEM Listing Rules by which the Company should announce its results. The Company expects to publish its results for the Eighteen-Month Period by no later than 15th April, 2005, being a delay of up to two weeks from the prescribed time under the GEM Listing Rules.

The Company will request a suspension in the trading in the Shares with effect from 9:30 am on 1st April, 2005 until the publication of an announcement in relation to its results for the Eighteen-Month Period.

The Directors have not dealt in the Shares since 28th February, 2005 and will not do so until after the publication of an announcement in relation to the results of the Company for the Eighteen-Month Period.

For the avoidance of doubt, this is not meant to be a profit warning in relation to MegaInfo Holdings Limited (incorporated in Bermuda with limited liability, an indirect subsidiary of the Company and whose shares are also listed on GEM) and its next financial results for the nine months ending 31st March, 2005 are expected to be published no later than 15th May, 2005.

Members and investors should exercise caution when dealing in the Shares.

DEFINITIONS

“Board”	the board of the Directors
“Company”	Vodatel Networks Holdings Limited
“Director(s)”	the director(s) of the Company
“Eighteen-Month Period”	the eighteen months ended 31st December, 2004
“Exchange”	The Stock Exchange of Hong Kong Limited, a company incorporated in Hong Kong with limited liability
“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
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Members”	duly registered holders from time to time of the Shares
“PRC”	the People’s Republic of China
“Shares”	shares of HK\$0.10 each in the capital of the Company
“Spain”	the Kingdom of Spain
“STASA”	Servicios Telefónicos de Audiotex SA, incorporated in Spain with limited liability and an indirect subsidiary of the Company

By order of the Board
José Manuel dos Santos
Chairman

Hong Kong, 11th March, 2005

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

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

This announcement will remain on the "Latest Company Announcement" page on the internet website operated by the Exchange for the purposes of GEM for at least seven days from the date of publication and on www.vodatelsys.com.

** For identification purpose only*