



VODATEL NETWORKS HOLDINGS LIMITED

愛達利網絡控股有限公司*

(Incorporated in Bermuda with limited liability)

Stock Code: 8033

Update on disclosure pursuant to rule 17.21

Reference is made to the Rules 17.20 and 17.21 Announcements. The Company announces that VHL has fully repaid the loan, and the Santos' Family Trust is no longer restricted by the covenant therein.

Reference is made to the Rules 17.20 and 17.21 Announcements and the loan due from VHL to the Lenders in the outstanding amount of US\$11,250,000 (approximately HK\$87,525,000) as at 30th June, 2005. In this announcement, unless the content otherwise requires, terms used herein have the same meaning as terms defined in the Rules 17.20 and 17.21 Announcements.

As referred to in the Rules 17.20 and 17.21 Announcements, the Santos' Family Trust was under an obligation to (i) maintain at all times have as its trust assets, directly or indirectly, not less than 35% of each class of the issued voting share capital in the Company and that the service agreement between José Manuel dos Santos and the Company dated 10th February, 2004 (then renewed on 29th August, 2005) is not amended or terminated without the prior written consent of the Agent; and (ii) the Santos' Family Trust shall not (whether by a single transaction or a number of related or unrelated transactions and whether at the same time or over a period of time) voluntarily dispose of more than 5% of its shareholdings in the Company without the prior written consent of the requisite Lenders (such consent not to be unreasonably withheld or delayed).

The Company announces that VHL has fully repaid the loan on 26th September, 2005 and therefore the Santos' Family Trust is no longer restricted by the covenant therein.

DEFINITIONS

“Rules 17.20 and 17.21 Announcements”	the announcements of the Company dated 26th September, 2003, 14th April and 4th August, 2005
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By order of the Board
José Manuel dos Santos
Chairman

Hong Kong, 27th September, 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 document misleading; and 3. all opinions expressed in this document 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*