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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 acquisition of additional equity interest in TTSA**

The Board is pleased to announce that after the trading hours of the Exchange on 29th January 2013, the Group confirmed exercise of its pre-emptive right pursuant to the by-laws of TTSA to acquire a further 4,205 Target Shares, representing approximately 0.96% of the total issued share capital of TTSA, for the purchase price of US\$607,139.04 (approximately HK\$4,709,000).

The acquisition of the equity interest in TTSA constitutes a discloseable transaction for the Company under the GEM Listing Rules as the profits ratio exceeds 5% but is less than 25%. As such the acquisition of the equity interest in TTSA is subject to reporting and announcement requirements.

### **BACKGROUND**

VDTOHL currently holds 16.9% equity interest in TTSA together with other shareholders as follows:

TPT	54.01%
The Government of Timor-Leste	20.59%
Oscar Lima, an independent third party	4.25%
Another individual, an independent third party	4.25%

The Group had been informed that Oscar Lima proposed to sell its equity interest in TTSA to TPT. Pursuant to the by-laws of TTSA, all other shareholders shall have the pre-emptive right to acquire the shares proposed to be sold by Oscar Lima pro rata to such shareholder's equity interest in TTSA.

As such, the Group confirmed exercise of its pre-emptive right to acquire a maximum of 4,205 Target Shares referred to above, representing approximately 0.96% of TTSA, and instructed its bank to transfer US\$607,139.04 (approximately HK\$4,709,000) to Oscar Lima accordingly.

Completion is expected to take place on 14th February 2013 and immediately upon completion, the Group will hold 78,565 Target Shares, representing approximately 17.86% of the total issued share capital of TTSA. As the profits ratio of the transaction is more than 5% but less than 25%, the acquisition of the equity interest in TTSA is subject to reporting and announcement requirements.

## **THE CONSIDERATION**

The consideration in the amount of US\$607,139.04 (approximately HK\$4,709,000) in cash for the 4,205 Target Shares had been determined based on the purchase price agreed between Oscar Lima and TPT for the sale of Oscar Lima's equity interest in TTSA to TPT. VDTOHL has been informed that the consideration was arrived at after arm's length negotiations between Oscar Lima and TPT by reference to the valuation of TTSA at approximately US\$63,529,000 (approximately HK\$492,740,000), which is 2.57 times of the audited profit after taxation of TTSA being approximately US\$24,689,000 (approximately HK\$191,492,000) for the year ended 31st December 2011.

The consideration will be funded by internally generated funds of the Group.

## **INFORMATION OF THE COMPANY**

The Group carries the vision to deliver high quality communications infrastructural solutions to customers, allowing them to manage their business and reach out for information, anywhere and anytime. The Group principally engages in the provision of network and system infrastructure and applications, CNMS and customised software solutions.

The Group provides an integrated span of services in network and system infrastructure and applications and solutions, ranging from network and system planning, design, provision of equipment and software, installation and implementation to maintenance and technical support for telecommunications service

providers in PRC and enterprise customers in selected vertical markets. In Macao, the Group is also a leading provider of solutions in structured cabling, surveillance, trunking radio and networking solutions for different gaming and hotel operators, governmental authorities and enterprises.

The Group engages in the provision of self-developed CNMS for telecommunications service providers in PRC, which allows various operators to effectively and efficiently manage the performance of and traffic over the networks. The Group also provides data and environmental controlling solutions that allow users to readily and flexibly access, manage and utilise information/data and to conduct effective and improved environmental monitoring. The Group also designs and builds customised software for its clientele base.

### **INFORMATION OF OSCAR LIMA**

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Oscar Lima is a third party independent of the Company and of its Connected Persons.

### **INFORMATION OF TTSA**

TTSA is one of the telecommunications operators for fixed and mobile services of Timor-Leste.

The audited profits before and after taxation of TTSA for the year ended 31st December 2010 were approximately US\$25,748,000 (approximately HK\$199,705,000) and US\$23,173,000 (HK\$179,733,000) respectively. The audited profits before and after taxation of TTSA for the year ended 31st December 2011 were approximately US\$27,432,000 (approximately HK\$212,767,000) and US\$24,689,000 (approximately HK\$191,492,000) respectively. The audited net asset value attributable to TTSA as at 31st December 2011 was approximately US\$35,145,000 (approximately HK\$272,589,000).

### **REASONS FOR THE ACQUISITION**

The Directors believe that the sale of Oscar Lima's equity interest represents a unique opportunity to increase its equity interest in TTSA. The Group is positive about the development of the telecommunications market in Timor-Leste. Acquisition of additional equity in TTSA will enable the Group to further participate in the future economic return so generated.

The Directors consider that the terms of the acquisition of the 4,205 Target Shares are fair and reasonable and in the interests of the Company and the holders of the ordinary shares of HK\$0.10 each in the share capital of the Company as a whole.

## DEFINITIONS

“Board”	the board of Directors
“CNMS”	customer network management system
“Company”	Vodatel Networks Holdings Limited
“Connected Person”	has the meaning ascribed thereto in the GEM Listing Rules
“Director”	the director of the Company
“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 PRC (not applicable to Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited)
“Macao”	the Macao Special Administrative Region of PRC
“PRC”	The People’s Republic of China
“Target Share”	ordinary share of US\$10 each in the share capital of TTSA
“Timor-Leste”	The Democratic Republic of Timor-Leste
“TPT”	TPT - Telecomunicações Públicas de Timor, S.A., a company incorporated in the Portuguese Republic with limited liability
“TTSA”	Timor Telecom, S.A., a company incorporated in Timor-Leste with limited liability
“US\$”	United States Dollar, the lawful currency of the United States of America

“VDT OHL”

VDT Operator Holdings Limited, incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company

*For the purpose of this announcement, conversions of US\$ into HK\$ are made, for illustration purposes only, at a rate of US\$1.00 to HK\$7.75615. No representation is made that any amounts in US\$ or HK\$ could have been or could be converted at the above rate or any other rates at all.*

By order of the Board  
**José Manuel dos Santos**  
Chairman

Macao, 29th January 2013

**Executive Directors**

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

**Independent non-executive Directors**

Fung Kee Yue Roger  
Wong Tsu Au Patrick  
Tou Kam Fai

*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 the information contained in this announcement 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 document misleading.*

*\* for identification purpose only*