



**VODATEL NETWORKS HOLDINGS LIMITED**

**愛達利網絡控股有限公司 \***

*(Incorporated in Bermuda with limited liability)*

Stock Code: 8033

**THIRD QUARTER REPORT**

**2011**

\* *for identification purpose only*

## Characteristics of GEM

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. 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.**

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*This report, 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 report 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.*

## **BUSINESS AND FINANCIAL HIGHLIGHTS FOR THE THREE-MONTH PERIOD AND THE NINE-MONTH PERIOD**

- Attributable to the undertaking of a major surveillance project for one of the core gaming operators in the Cotai Strip, revenue for the Nine-Month Period reached HK\$197,688,000, or an increase of 48.03% over the same preceding period of last year
- Despite higher cost structure, but supported by strong dividends from TTSA and share of profit from Vodacabo, net profit of HK\$14,271,000 for the Nine-Month Period was recognised
- Debt-free capital structure with cash balance (including pledged deposits) of HK\$88,549,000 and a portfolio of fixed income instruments valued at approximately HK\$21,500,000 on hand
- Government of Macao and various gaming operators awarded over HK\$35,000,000 of contracts to the Group during the Three-Month Period
- Successfully added two new customers to the clientele of the Group in Hong Kong
- TSTSH selected to install its newly developed network assurance module to support the National City Sport Competition that was held in Nanchang, Jiangxi on 16th October 2011
- Successfully developed and commercialised the LBS card
- TTSA reported revenue of HK\$373,709,000 (US\$48,000,000) and EBITDA of HK\$202,426,000 (US\$26,000,000), with mobile customers reaching 548,000
- The Board does not recommend payment of interim dividend for the Three-Month Period

## THIRD QUARTER RESULTS

The Board is pleased to present the unaudited consolidated results of the Group for the Three-Month Period and Nine-Month Period as follows:

		<b>Unaudited</b>			
		Three months ended		Nine months ended	
Note	Three-Month Period	30th September 2010	Nine-Month Period	30th September 2010	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	Revenue	65,843	64,432	197,688	133,544
	Cost of sales	(52,025)	(46,380)	(161,790)	(95,797)
	<b>Gross profit</b>	<b>13,818</b>	18,052	<b>35,898</b>	37,747
	Selling, marketing costs and administrative expenses	(19,368)	(18,763)	(57,086)	(51,532)
	Other gains – net	1	3,194	30,670	33,697
	<b>Operating (loss)/profit</b>	<b>(5,549)</b>	2,483	<b>9,482</b>	19,912
	Finance income	352	144	607	290
	Share of post-tax (loss)/profit of associates	(1,193)	(47)	4,427	(199)
	<b>(Loss)/profit before income tax</b>	<b>(6,390)</b>	2,580	<b>14,516</b>	20,003
	Income tax expense	(245)	—	(245)	(299)
	<b>(Loss)/profit for the period</b>	<b>(6,635)</b>	2,580	<b>14,271</b>	19,704
	<b>(Loss)/profit attributable to:</b>				
	- Owners of the Company	(5,384)	3,451	17,090	20,538
	- Non-controlling interests	(1,251)	(871)	(2,819)	(834)
		<b>(6,635)</b>	2,580	<b>14,271</b>	19,704
	<b>(Loss)/earnings per Share attributable to owners of the Company</b>				
		HK cent per Share	HK cent per Share	HK cents per Share	HK cents per Share
	- Basic and diluted (loss)/earnings per Share	(0.88)	0.56	2.78	3.35
		HK\$	HK\$	HK\$	HK\$
	<b>Dividends</b>	—	—	—	—

*Notes to the Condensed Consolidated Income Statement:*

1. **Income tax expense**

Hong Kong and overseas profits tax was provided at the rate of 16.5% (nine months ended 30th September 2010: 16.5%) and at the rates of taxation prevailing in the regions in which the Group operated respectively.

2. **(Loss)/earnings per Share**

(a) **Basic**

Basic earnings per Share was calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Shares in issue during the Nine-Month Period.

	<b>Nine-Month Period HK\$'000</b>	Nine months ended 30th September 2010 HK\$'000
Profit attributable to equity holders of the Company	<u>17,090</u>	<u>20,538</u>
Weighted average number of Shares in issue (thousands)	<u>613,819</u>	<u>613,819</u>

## (b) Diluted

Diluted earnings per Share was calculated by adjusting the weighted average number of Shares outstanding to assume conversion of all dilutive potential Shares. The Company had Options as dilutive potential Shares. A calculation was done to determine the number of Shares that could have been acquired at fair value (determined as the average market price of the Shares) based on the monetary value of the subscription rights attached to outstanding Options. The number of Shares calculated as above was compared with the number of Shares that would have been issued assuming the exercise of the Options. The conversion of all potential Shares arising from the Options would have an anti-dilutive effect on the earnings per Share for the Nine-Month Period and the period ended 30th September 2010. Accordingly, diluted earnings per Share was identical to basic earnings per Share for the Nine-Month Period and the period ended 30th September 2010.

### 3. Dividends

A dividend that related to the period to 31st December 2010 and that amounted to HK\$3,069,000 was paid in June 2011 (2010: HK\$3,069,000).

The Board does not recommend payment of interim dividend for the Nine-Month Period (nine months ended 30th September 2010: nil).

### 4. Reserves

	Contributed surplus	Other reserve	Capital redemption reserve	Available-for-sale investments	Merger reserve	Statutory reserve	Translation	Total	Accumulated losses
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1st January 2010	97,676	2,289	702	3,940	35,549	49	3,188	143,393	(66,091)
Revaluation-gross	—	—	—	9,617	—	—	—	9,617	—
Currency translation differences	—	—	—	—	—	—	232	232	—
Scheme: value of services	—	1,889	—	—	—	—	—	1,889	—
Profit for the nine months ended 30th September 2010	—	—	—	—	—	—	—	—	20,538
Dividends relating to 2009 paid in June 2010	—	—	—	—	—	—	—	—	(3,069)
<b>As at 30th September 2010</b>	<b>97,676</b>	<b>4,178</b>	<b>702</b>	<b>13,557</b>	<b>35,549</b>	<b>49</b>	<b>3,420</b>	<b>155,131</b>	<b>(48,622)</b>
As at 1st January 2011	97,676	4,178	702	11,768	35,549	49	3,408	153,330	(43,227)
Revaluation-gross	—	—	—	(3,616)	—	—	—	(3,616)	—
Currency translation differences	—	—	—	—	—	—	(54)	(54)	—
Profit for the Nine-Month Period	—	—	—	—	—	—	—	—	17,090
Dividends relating to 2010 paid in June 2011	—	—	—	—	—	—	—	—	(3,069)
<b>As at 30th September 2011</b>	<b>97,676</b>	<b>4,178</b>	<b>702</b>	<b>8,152</b>	<b>35,549</b>	<b>49</b>	<b>3,354</b>	<b>149,660</b>	<b>(29,206)</b>

## **BUSINESS REVIEW**

### ***Macao / Hong Kong***

In Macao, as per the latest gaming statistics announced by the Gaming Inspection and Coordination Bureau, gross revenue from games of fortune generated during September amounted to HK\$20,625,000,000, or a decline of 14.23% over the gross revenue generated from the previous month of HK\$24,048,000,000. Despite so, for the Nine-Month Period, aggregate gross revenue from games of fortune reached HK\$188,689,000,000, or an increase of 45.87% over the same corresponding period of 2010 of HK\$129,356,000,000. During October, gross revenue from games of fortune reached a new high, hitting HK\$26,069,000,000, and bringing total gross revenue for the enclave during 2011 to almost HK\$215,000,000,000.

With the momentum of the local gaming market remains strong, the Group continues to witness different gaming operators actively adopting different initiatives, including resuming construction of new establishments, building new extensions or initiating upgrades and expansion at existing gaming premises. Consequently, during the Three-Month Period, the Group continued to receive orders from different gaming customers, covering areas of surveillance, networking, trunking radio, storage and database. Major works included construction of new mass gaming halls at existing premises and expansion and upgrades to existing front-end and back-end support systems to accommodate introduction of new gaming attractions. Aggregate contracts secured during the Three-Month Period exceeded HK\$20,000,000.

Despite a rather slow start with public works, the Group starts to witness gradual increase in business activities as new orders continued to be awarded by the Government of Macao. During the Three-Month Period, MDL received orders from different departments, including but not limited to Civic and Municipal Affairs Bureau, Public Administration and Civil Service Bureau, Transport Bureau, Macao Government Tourist Office and Commission Against Corruption, covering areas of structured cabling, networking, data and office networks, storage, backup, firewall and kiosk systems. Together with the trunking radio and surveillance systems provided to Public Security Forces Affairs Bureau, Judiciary Police and Macao Customs Service, total orders secured during the Three-Month Period amounted to approximately HK\$15,000,000. Over the years, to accommodate different demands from different customers, MDL has gradually expanded its array of solutions carried, thus making MDL today one of the leading market providers in Macao of office solutions, customised software and maintenance support services, in particular to the Government of Macao.

During 2011, the Group broke some new grounds in Hong Kong. Traditionally serving only a small handful of customers in the area of data networking, the Group has been able to add two major telecommunications players to its premium clientele list. As at 30th September 2011, the Group successfully added over HK\$35,000,000 to its order book from different telecommunications service providers in Hong Kong, with the two new telecommunications clients contributing approximately HK\$15,000,000.

### ***Mainland China***

The intelligent environmental monitoring application and integrated fault and alert management application of TSTSH continue to receive positive market responses. In addition to securing expansion orders to expand and upgrade these two modules that are already installed at telecommunications service providers in the province of Jiangxi and the municipality of Chongqing, during the Three-Month Period, TSTSH successfully extended its reach to the province of Hebei, with a contract awarded to install its integrated fault and alert application at a local telecommunications service provider.

During the same period, TSTSH develops a new extension from its integrated fault and alert management application – the network testing system module – and successfully sold to a telecommunications services provider in the province of Jiangxi.

TSTSH has also built a new application from the core architect of its customer network management system – the network assurance system – and is proud to be selected to install this new module to support the National City Sport Competition that was held in Nanchang, Jiangxi on 16th October 2011. With sporting events operating under one of the most stringent environment, the network assurance system of TSTSH performs analysis and management of data utilisation by users at major areas and coliseums. The application, which helps to ensure maximum network performance, monitors the quality of data and initiates alerts if utilisation is approaching its limits or possible network irregularities are detected. Upon occurrence of any incidents, the application is able to identify and localise the issues and, concurrently, perform analysis regarding the magnitude and implications of such issues on the networks. Such analysis will provide timely information which allows effective management and resolution of issues via efficient realignment of data and network resources. Therefore, this contract strongly signifies the ability and capability of TSTSH to deliver solutions with high quality and high performance in data network management that operate under stringent environment.

During the Nine-Month Period, to further expand the geographical coverage of TSTSH in Mainland China, TSTSH established a subsidiary in Jiangxi.

As pupils are not permitted to bring mobile phones to elementary schools, parents generally have concerns regarding the whereabouts of their young children, in particular after school hours. To address such concern, the development team in Zhuhai enhances the tracking and positioning features of their human resources tracking and management application and develops and commercialises a new application – the LBS card. This LBS card, via 3G connectivity, carries features which allow pupils to buzz for assistance in case of emergency and allow parents, via their smart phones with LBS application embedded, to track and position their location where necessary. The LBS card has been successfully endorsed by the provincial telecommunications service provider in the province of Guangdong. Operating under the business model to generate returns through sale of LBS cards and sharing of monthly 3G subscription fees with local telecommunications service providers, the Group successfully sold over 4,000 LBS cards to telecommunications service providers in Guangzhou and Zhongshan during the Three-Month Period. Going forward, the Group will continue to promote the LBS cards in different major cities in the provinces of Guangdong, Hunan and Liaoning via working in collaboration with local telecommunications service providers or local system integrators.

### ***Investments Holding Activities***

During the Nine-Month Period, TTSA continued to deliver strong operating performance, mainly attributable to a strong increase in customer base. Net additions were 78,000 mobile customers, bringing total number of mobile customers from 470,000 as at 1st January 2011 to reach 548,000 as at 30th September 2011. Such additions were the result of various initiatives undertaken by TTSA, including strengthening of distribution networks and launching of several voice and data stimulation packages. Revenue soared 18.2% over the same corresponding period of last year to hit HK\$373,790,000 (US\$48,000,000) with data revenue accounted for 17.7% of mobile service revenue. EBITDA also experienced similar strong growth, hitting HK\$202,426,000 (US\$26,000,000), a surge of 13.3% over the same corresponding period of last year. EBITDA margin stood at 54.16%. For the dividends against 2010 operating results of HK\$30,540,900 that the Group is entitled to receive, the third installment of HK\$7,635,000 has been received during October 2011 with the final payment in the same amount to be received before end of 2011.

During the Three-Month Period, Vodacabo continued to put its main focus on the completion of the various contracts, which involved building of telecommunications towers infrastructure, construction of energy structures (using either traditional generators or solar panels) and provision of installation services of a transmission backbone and access network in Timor-Leste. On a going forward basis, in addition to putting emphasis on securing new telecommunications projects or their expansion, effort will also be put to secure on-going maintenance support services from the local telecommunications operator.

For MTNHL, subsequent to the entering of a memorandum of understanding to invest in a company in Mainland China that principally engages in technology development, design, manufacturing and sale of liquid crystal display modules, during the Three-Month Period, MTNHL announced the acquisition of 100% shareholding of a target company for HK\$2,731,000. The target company is a holding company with a commitment to purchase a residential property located in Kowloon, Hong Kong at a consideration of HK\$28,800,000, of which HK\$1,500,000 deposit payment has already been made. As disclosed in the announcement made by MTNHL, as at 31st August 2011, the residential property carries a value of HK\$30,300,000.

## **FINANCIAL REVIEW**

During the Three-Month Period, revenue amounted to HK\$65,843,000, which almost levelled the revenue of the same corresponding period of last year. Attributable to the undertaking of a major surveillance project for one of the core gaming operators in Macao, revenue for the Nine-Month Period soared to HK\$197,688,000, or a growth of 48.03% over the same corresponding period of last year. Nevertheless, with sales mix for 2011 contained a higher percentage of lower-margin hardware business, and with majority of higher-margin software business of TSTSH and maintenance support services carried by the technical support teams in Macao and Mainland China still in progress, gross profit margin stood at 18.16% for the Nine-Month Period, trailing by almost 10.11% over the same corresponding period of last year. Consequently, despite recording a strong growth in revenue of 48.03% for the Nine-Month Period, gross profit for the same period amounted to HK\$35,898,000.

Inflationary pressure, which pushed up staff costs and general administrative expenses, costs associated with the expansion of the development team in Zhuhai to cope with the development of the LBS card and employment of engineers on short-term basis to support the construction of the major surveillance project in Macao, total selling, marketing and administrative expenses for the Nine-Month Period surged by 10.78% from HK\$51,532,000 to HK\$57,086,000.

Although operating margin was adversely affected by lower gross profit and higher cost structure, coupled with the absence of gain from disposal of shares in MTNHL, the bottom-line of the Group was nevertheless, supported by the strong dividends from TTSA of HK\$30,541,000 and share of profit of approximately HK\$4,400,000 from Vodacabo. Consequently, the Group reported net profit of HK\$14,271,000 for the Nine-Month Period.

The Group continued to maintain a debt-free capital structure (save and except for normal trade payables). As at 30th September 2011, the Group held a cash balance (including pledged deposits) of HK\$88,549,000 and a portfolio of fixed income instruments valued at approximately HK\$21,500,000, the latter of which is built to enhance yields.

**DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION**

As at 30th September 2011, 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 SFO (including interests and short positions which he took or deemed to have taken under such provisions of SFO) or required pursuant to section 352 of SFO, to be entered in the register referred to therein or required, pursuant to rules 5.46 to 5.67 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 positions in the Shares**

Name of Director	Nature of interest	Number of Shares held	Number of underlying Shares (in respect of Options held (note 9))	Approximate % of the issued share capital of the Company
José Manuel dos Santos	Settlor of a discretionary trust (note 1)	301,538,000	—	49.12
	Personal (note 2)	—	800,000	0.13
Yim Hong	Personal (note 3)	7,357,500	800,000	1.33
Kuan Kin Man	Personal (note 4)	22,112,500	800,000	3.73
Monica Maria Nunes	Personal (note 5)	2,452,500	800,000	0.53
Fung Kee Yue Roger	Personal (note 6)	210,000	500,000	0.12
Wong Tsu An Patrick	Personal (note 7)	—	500,000	0.08
Tou Kam Fai	Personal (note 8)	—	500,000	0.08

*Notes:*

1. As at 30th September 2011, these Shares were held in the name of ERL. The entire issued share capital in ERL was held by OHHL, a company wholly-owned by HSBCITL, which is a trustee of the existing trust whereby the family members of José Manuel dos Santos (the settlor of the trust) were the discretionary objects and which assets included a controlling stake of 49.12% of the issued share capital of the Company.
2. The personal interest of José Manuel dos Santos comprised 800,000 underlying Shares in respect of Options granted to him by the Company. The aforesaid interest was held by José Manuel dos Santos as beneficial owner.
3. The personal interest of Yim Hong comprised 7,357,500 Shares and 800,000 underlying Shares in respect of Options granted to him by the Company. The aforesaid interest was held by Yim Hong as beneficial owner.
4. The personal interest of Kuan Kin Man comprised 22,112,500 Shares and 800,000 underlying Shares in respect of Options granted to him by the Company. The aforesaid interest was held by Kuan Kin Man as beneficial owner.
5. The personal interest of Monica Maria Nunes comprised 2,452,500 Shares and 800,000 underlying Shares in respect of Options granted to her by the Company. The aforesaid interest was held by Monica Maria Nunes as beneficial owner.
6. The personal interest of Fung Kee Yue Roger comprised 210,000 Shares and 500,000 underlying Shares in respect of Options granted to him by the Company. The aforesaid interest was held by Fung Kee Yue Roger as beneficial owner.
7. The personal interest of Wong Tsu An Patrick comprised 500,000 underlying Shares in respect of Options granted to him by the Company. The aforesaid interest was held by Wong Tsu An Patrick as beneficial owner.
8. The personal interest of Tou Kam Fai comprised 500,000 underlying Shares in respect of Options granted to him by the Company. The aforesaid interest was held by Tou Kam Fai as beneficial owner.
9. The number of Options held by the Directors outstanding at the beginning of the Nine-Month Period was the same as shown above. The Options were granted on 14th June 2010 and exercisable from 15th June 2010 to 14th June 2013 at HK\$0.38 per Share.

## **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 SFO showed that as at 30th September 2011, the Company was notified of the following Substantial Shareholders' interests, being 5% or more of the issued share capital of the Company. These interests were in addition to those disclosed above in respect of the Directors and Chief Executive:

### **Aggregate long positions in the Shares**

<b>Name</b>	<b>Nature of interest</b>	<b>Number of Shares held</b>	<b>Approximate % of the issued share capital of the Company</b>
ERL	Corporate interest (note 1)	301,538,000	49.12
OHHL	Corporate interest (note 1)	301,538,000	49.12
HSBCITL	Corporate interest (note 1)	301,538,000	49.12
Lei Hon Kin (note 2)	Family interest	302,338,000	49.26

*Notes:*

- 1 As at 30th September 2011, these Shares were held in the name of ERL. The entire issued share capital in ERL was held by OHHL, a company wholly-owned by HSBCITL, being the trustee of the existing trust.
- 2 Lei Hon Kin, the spouse of José Manuel dos Santos, was deemed to be interested in all the interests of José Manuel dos Santos.

### **COMPETING BUSINESS**

As at 30th September 2011, none of the Directors, or any person who was (or group of persons who together were) entitled to exercise or control the exercise of 5% or more of the voting power at general meetings of the Company and who was (or were) able, as a practical matter, to direct or influence the management of the Company or any of their respective Associates had any interest in a business, which competed or might compete with the business of the Group.

## **PURCHASE, SALE OR REDEMPTION OF SECURITIES**

The Company did not redeem any of the Shares during the Nine-Month Period. Neither the Company nor any of its subsidiaries purchased or sold any of the Shares during the Nine-Month Period.

## **DEFINITIONS**

“3G”	third generation of mobile telephony technology
“Associate”	has the meaning ascribed thereto in the GEM Listing Rules
“Associated Corporation”	a corporation: <ol style="list-style-type: none"><li>1. which is a subsidiary or holding company of the Company or a subsidiary of the holding company of the Company; or</li><li>2. (not being a subsidiary of the Company) in which the Company has an interest in the shares of a class comprised in its share capital exceeding in nominal value one-fifth of the nominal value of the issued shares of that class</li></ol>
“Board”	the board of Directors (not applicable to Main Board)
“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
“Company”	Vodatel Networks Holdings Limited
“Director”	the director of the Company
“EBITDA”	earnings before interest, tax, depreciation and amortisation
“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

“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 cent”	Hong Kong Cent, where 100 HK cents equal HK\$1
“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)
“HSBCITL”	HSBC International Trustee Limited, a company incorporated in BVI with limited liability
“LBS”	location-based service
“Macao”	the Macao Special Administrative Region of PRC
“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”	PRC, other than the regions of Hong Kong, Macao and Taiwan
“MDL”	Mega Datatech Limited, incorporated in Macao with limited liability and an indirect wholly-owned subsidiary of the Company
“MTNHL”	Mobile Telecom Network (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and ordinary shares of US\$0.01 each in the share capital of MTNHL are listed on GEM
“Nine-Month Period”	nine months ended 30th September 2011
“OHHL”	Ocean Hope Holdings Limited, a company incorporated in BVI with limited liability

“Option”	a right to subscribe for the Shares granted pursuant to the Scheme
“PRC”	the People’s Republic of China
“Scheme”	the share option scheme approved by the holders of the Shares at a special general meeting on 5th November 2002
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share”	ordinary share of HK\$0.10 each in the share capital of the Company
“Substantial Shareholder”	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
“Three-Month Period”	three months ended 30th September 2011
“Timor-Leste”	the Democratic Republic of Timor-Leste
“TSTSH”	泰思通軟件（上海）有限公司，incorporated in PRC with limited liability and an indirectly owned subsidiary of the Company
“TTSA”	Timor Telecom, SA, a company incorporated in Timor-Leste with limited liability
“US\$”	United States Dollar, the lawful currency of the United States of America
“Vodacabo”	Vodacabo, S A, a company incorporated in Timor-Leste with limited liability and an indirect associate of the Company

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

Macao, 10th November 2011

**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