VODATEL NETWORKS HOLDINGS LIMITED

愛達利網絡控股有限公司*

(Incorporated in Bermuda with limited liability)

Stock Code: 8033

BUSINESS AND FINANCIAL HIGHLIGHTS FOR THE YEAR

- Stronger order book carried forward from 2024 and a healthy project pipeline from Macao in 2025, the Group reported revenue of HK$584,122,000 for 2025, representing a modest drop of HK$20,672,000, or 3.42% over 2024

- Managed to maintain a stable overall gross profit margin of approximately 19.36%, with gross profit of HK$113,114,000 achieved during the Year

- Profit for the Year amounted HK$8,739,000 or an approximate 14.56% increase over 2024

- With Macao delivering an exceptionally strong performance in 2025, which almost offset business contraction in Hong Kong and Mainland China, total contracts signed amounted to approximately HK$632,000,000, representing a slight decrease of approximately 1% as compared with HK$640,000,000 reported in 2024

- Total contracts awarded by both public and private sectors in Macao increased over 35% on a year-on-year basis

- Hong Kong suffered a huge decline of over 32% on a year-on-year basis, with the sharpest impact came from the SD-WAN segment due to another ownership change of the SD-WAN vendor that the Group represented

- Mainland China also faced a particularly difficult year, affected by a significant decline to its SD-WAN segment and softened data networks infrastructure business due to geopolitical tensions

- TTSA achieved a turnaround from a HK$620,000 loss in 2024 to a HK$6,496,000 profit in 2025

- With improved profitability and strengthened liquidity, the Group ended the Year with total net cash and cash equivalents (net of borrowings and include yield enhanced financial instruments) of HK$103,607,000 as at 31st December 2025 while net asset value increased to HK$217,637,000 as at 31st December 2025

- The Directors recommend payment of a final dividend of HK$0.01 per Share for the Year

RESULTS

The Board is pleased to present the consolidated results of the Group for the Year as follows:

Consolidated statement of profit or loss

	Notes	**2025** **HK$'000**	2024 HK$'000
REVENUE	2	**584,122**	604,794
Cost of sales		**(471,008)**	(486,738)
Gross profit		**113,114**	118,056
Other loss		**(1,468)**	(608)
Selling and marketing expenses		**(19,951)**	(30,315)
Administrative expenses		**(81,554)**	(80,736)
Impairment losses on financial and contract assets		**(3,345)**	(2,613)
Operating profit		**6,796**	3,784
Finance income		**2,715**	3,059
Finance costs		**(756)**	(656)
Finance income, net		**1,959**	2,403
PROFIT BEFORE TAX	3	**8,755**	6,187
Income tax (expense)/credit	4	**(16)**	1,441
PROFIT FOR THE YEAR		**8,739**	7,628
Attributable to:			
Owners of the parent		**11,092**	10,275
Non-controlling interests		**(2,353)**	(2,647)
		8,739	7,628
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	5		
Basic		**1.80 HK cents**	1.67 HK cents

Consolidated statement of comprehensive income

	2025 HK$'000	2024 HK$'000
PROFIT FOR THE YEAR	**8,739**	7,628
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Debt investments at fair value through other comprehensive income:		
Changes in fair value	**(1,005)**	1,590
Reclassification adjustments for losses included in the consolidated statement of profit or loss – impairment losses	**2,841**	2,440
Release to profit or loss on disposal of debt instruments	**2,508**	835
Exchange differences:		
Exchange differences on translation of foreign operations	**(1,295)**	757
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**3,049**	5,622
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Equity investment designated at fair value through other comprehensive income:		
Changes in fair value	**1,065**	(6,007)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	**4,114**	(385)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**12,853**	7,243
Attributable to:		
Owners of the parent	**15,206**	9,890
Non-controlling interests	**(2,353)**	(2,647)
	12,853	7,243

Consolidated balance sheet

	Notes	As at 31st December **2025** **HK$'000**	2024 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**2,888**	1,809
Right-of-use assets		**741**	1,915
Investments in associates		**–**	–
Equity investment designated at fair value through other comprehensive income		**31,438**	30,373
Debt investments at fair value through other comprehensive income		**27,293**	31,769
Total non-current assets		**62,360**	65,866
CURRENT ASSETS			
Inventory		**37,765**	20,564
Trade receivables	7	**174,979**	185,426
Contract assets		**56,049**	70,202
Prepayment		**62,001**	64,626
Other receivables and deposits		**8,462**	6,998
Debt investments at fair value through other comprehensive income		**4,651**	93
Pledged deposit		**–**	3,470
Cash and cash equivalents		**90,981**	39,119
Total current assets		**434,888**	390,498
CURRENT LIABILITIES			
Trade payable	8	**113,829**	125,247
Other accounts payable and accruals		**43,136**	34,989
Contract liabilities		**69,881**	53,723
Interest-bearing bank borrowings		**19,318**	5,725
Lease liabilities		**766**	1,168
Tax payable		**4,386**	4,458
Warranty provisions		**28,295**	19,392
Total current liabilities		**279,611**	244,702
NET CURRENT ASSETS		**155,277**	145,796
TOTAL ASSETS LESS CURRENT LIABILITIES		**217,637**	211,662
NON-CURRENT LIABILITIES			
Lease liabilities		**–**	765
Net assets		**217,637**	210,897

	As at 31st December	
	2025	2024
	HK$'000	HK$'000
EQUITY		
Equity attributable to owners of the parent		
Share capital	**61,771**	61,771
Reserves	**167,774**	158,729
	229,545	220,500
Non-controlling interests	**(11,908)**	(9,603)
Total equity	**217,637**	210,897

The consolidated results of the Group for the Year have been reviewed by the audit committee of the Company.

Notes:

1 Basis of preparation

These financial statements were prepared in accordance with HKFRS and the disclosure requirements of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). They were prepared under the historical cost convention, except for equity investment and debt instruments which were measured at fair value. These financial statements are presented in HK$ and all values were rounded to the nearest thousand except when otherwise indicated.

Amendments to HKAS 21 *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability* specified how an entity should assess whether a currency was exchangeable into another currency and how it should estimate a spot exchange rate at a measurement date when exchangeability was lacking. The amendments required disclosures of information that enabled users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the presentation currency of the Group were exchangeable, the amendments did not have any impact on the financial statements of the Group.

In addition, HKICPA issued amendments to Illustrative Examples on HKFRS 7 *Financial Instruments: Disclosures*, HKFRS 18 *Presentation and Disclosure in Financial Statements*, HKAS 1 *Presentation of Financial Statements*, HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, HKAS 36 *Impairment of Assets* and HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets: Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding HKFRS. These examples reflected existing requirements in the corresponding HKFRS to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments did not have an effective date or transitional provisions. The Group considered the guidance in these illustrative examples.

2 Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers was recognised when control of goods or services was transferred to the customers at an amount that reflected the consideration to which the Group expected to be entitled in exchange for those goods or services.

When the consideration in a contract included a variable amount, the amount of consideration was estimated to which the Group would be entitled in exchange for transferring the goods or services to the customer. The variable consideration was estimated at contract inception and constrained until it was highly probable that a significant revenue reversal in the amount of cumulative revenue recognised would not occur when the associated uncertainty with the variable consideration was subsequently resolved.

When the contract contained a financing component which provided the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue was measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contained a financing component which provided the Group with a significant financial benefit for more than one year, revenue recognised under the contract included the interest expense accrued on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services was one year or less, the transaction price was not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15 *Revenue from Contracts with Customers*.

(a) Project sales

Revenue from the design, sale and implementation of network and systems infrastructure; customer data automation, customisation and integration; and provision of technical support services was recognised over time based on the stage of completion of the contracts, provided that the stage of contract completion and the gross billing value of contracting work could be measured reliably.

Some contracts included multiple deliverables, such as the sale of hardware and related installation services. However, the installation could be performed by another party. It was therefore accounted for as a separate performance obligation.

Where the contracts included multiple performance obligations, the transaction price would be allocated to each performance obligation based on the stand-alone selling prices. For these contracts, revenue for the hardware was recognised at a point in time when the hardware was delivered, the legal title passed and the customer accepted the hardware. Revenue for service was recognised based on the actual service provided at the end of the reporting period.

The customer paid the fixed amount based on a payment schedule. If the services rendered by the Group exceeded the payment, a contract asset was recognised. If the payments exceeded the service rendered, a contract liability was recognised.

(b) Sales of services

The Group sold maintenance services to the end users. Revenue from fixed-price contracts for delivering maintenance services was generally recognised over time in the period the services were provided, using a straight-line basis over the term of the contract. These services were provided as a fixed-price contract, with contract terms generally ranging from less than one year to three years.

3 Profit before tax

The profit before tax of the Group was arrived at after charging/(crediting):

	2025	2024
	HK$'000	HK$'000
Cost of inventory sold	**301,548**	331,324
Cost of services provided	**168,627**	155,464
Employee benefit expense (excluding Directors' fee, social security and pension costs):		
Wages and salaries	**73,489**	76,861
Write-down/(reversal of write-down) of inventory to net realisable value	**833**	(246)

4 Income tax expense/(credit)

	2025	2024
	HK$'000	HK$'000
Current – Macao		
Charge for the year	**158**	324
Overprovision in prior years	**(144)**	(1,772)
Current – Mainland China		
Underprovision in prior years	**2**	7
	16	(1,441)

5 Earnings per Share attributable to ordinary equity holders of the parent

The calculation of the basic earnings per Share amounts was based on the profit for the Year attributable to ordinary equity holders of the parent, and the weighted average number of Shares of 616,115,000 (2024: 616,115,000) outstanding during the Year.

The Company had no potentially dilutive Shares in issue during the Year and the year ended 31st December 2024.

The calculations of basic earnings per Share were based on:

	2025	2024
	HK$'000	HK$'000
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per Share calculation	**11,092**	10,275

	Number of Shares	
	2025	2024
Shares		
Weighted average number of Shares outstanding during the year used in the basic earnings per Share calculation (thousands)	**616,115**	616,115

6 Dividend

The Company will give notice of the closure of its register of Members once the date of the AGM is determined. Such notice will be given at least ten days (excluding Saturday and Sunday) on which banks in Hong Kong are generally open for business, before such closure, pursuant to rule 17.78 of the GEM Listing Rules. The expected dividend payment date is 16th July 2026, subject to the approval of the Members in the forthcoming AGM for the dividend.

	2025	2024
	HK$'000	HK$'000
Proposed final to be paid out of contributed surplus – HK$0.01 (2024: HK$0.01) per Share	**6,161**	6,161

7 Trade receivables

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, was as follows:

	2025	2024
	HK$'000	HK$'000
Within three months	**96,258**	139,028
Four to six months	**18,069**	36,622
Seven to twelve months	**54,576**	4,586
Over twelve months	**6,076**	5,190
Total	**174,979**	185,426

8 Trade payable

An ageing analysis of the trade payable as at the end of the reporting period, based on the invoice date, was as follows:

	2025	2024
	HK$'000	HK$'000
Within three months	**73,546**	112,212
Four to six months	**9,451**	5,484
Seven to twelve months	**6,938**	375
Over twelve months	**23,894**	7,176
Total	**113,829**	125,247

MANAGEMENT DISCUSSION AND ANALYSIS

VODATEL – AT A GLANCE!

Headquartered in Macao, Vodatel is an integrated company that operates under the "Multiple Branding" philosophy, with "Vodatel" and "Mega Datatech" each positioned to achieve market differentiation, yet complementing one another in product and service offerings. Always putting customers first, the primary driver at Vodatel is to become the partner-of-choice of its customers when they seek a local partner for turnkey solutions or service provisioning that aligns their expectations in level of choices and service requirements and matches their demands, values and aspirations.

As a system integrator and service provider that represents a list of international and renowned manufacturers, the Group is in continuous pursuit to identify products with high potential within their areas of expertise, to grow and complement its current products and service offerings. In terms of human resources, the Group continues to house a team of highly trained, skilled and experienced engineers, making "Vodatel" and "Mega Datatech" among the most sought companies to provide round-the-clock and reliable system maintenance and support services, in particular in handling sophisticated turnkey solutions where unexpected hiccups, which if not promptly resolved or contained, can potentially result in significant business and/or service interruptions.

REVIEW OF BUSINESS ACTIVITIES

The operating environment in 2025 remained challenging, with procurement activities in the markets that the Group operates continuing to reflect a cautious and selective approach. Public sector customers maintained a focus on essential infrastructure upgrades, while private sector organisations adopted a more measured pace in committing to new capital expenditure. Competitive pressure persisted, particularly across data network infrastructure sector in Macao and Hong Kong. Against this backdrop, the Group continued to rely on its long established presence in its core operating markets, its strong client relationships and its reputation for delivering quality and reliable mission critical solutions.

Operations of the Group remained stable during 2025, supported by recurring maintenance income and steady execution of data network infrastructure projects at data centres and surveillance projects for different gaming operators in Macao. Total contracts signed amounted to approximately HK$632,000,000, representing a slight decrease of approximately 1% as compared with HK$640,000,000 reported in 2024. Despite market uncertainties, the Group maintained a healthy project pipeline across its core operating markets.

Business in Macao

Among the three core operating markets that the Group operates, Macao remains one of the two most resilient and strategically important markets for the Group, with the other being Mainland China. During 2025, Macao delivered an exceptionally strong performance and remained the principal growth engine of the Group. Contracts secured from both public and private sectors by VHL and MDL in aggregate witnessed an over 32% increase as compared to 2024, marking another impressive year-on-year growth since the pandemic.

At VHL, growth was driven by robust orders from long standing gaming customers and the successful onboarding of the IT division of a gaming customer, which contributed meaningfully to the project pipeline of the Group in 2025. The strong recovery of gaming revenue generated by different gaming operators continued to translate into increased investment in technology infrastructure, particularly in data networks infrastructure modernisation, surveillance systems enhancement and data driven operational systems. Existing concessionaires undertook upgrades to support higher operational throughput brought from influx of visitors from Mainland China, enhanced security requirements due to challenges within the cyber ecosystem and the integration of new platforms driven by AI adoptions. These initiatives created sustained demand for data network infrastructure solutions, surveillance systems and technical services.

Beyond gaming, continued investment by public sector and quasi government entities provided a stable and recurring source of revenue for MDL, which has been a cornerstone in the IT ecosystem in Macao, especially the role it plays in the strategic divestment and optimisation of product and service portfolios for high-growth IT infrastructure products through the introduction of different Chinese vendors to lay their foothold in Macao. During the Year, continued to operate as a flagship IT subsidiary of the Group, MDL continued to provide 1. one-stop tailored IT infrastructure, software applications, and network and system services that aim to optimise diverse business needs and budgets, 2. cybersecurity evaluation by offering end-to-end risk assessment covering internal and external threats, 3. bespoke software applications crafted by an experienced in-house development team. and 4. technical and maintenance support services delivered by a team of skilled engineers that provide ongoing operational support for sophisticated deployments. As in previous years, the Government of Macao and vertical markets such as education, utilities, hospitals and transportation remain key customers of MDL.

Business in Hong Kong

The Hong Kong business recorded a significant contraction during 2025, with total contracts secured dropping over 32% on a year-on-year basis. The sharpest impact came from the SD-WAN segment, where total contracts secured in 2025 represented less than 50% of that of 2024, the decline of which was the resultant of yet another ownership change of the SD-WAN vendor that the Group represented, which led the vendor to temporarily pause the acceptance of new purchase orders while business integration was underway. Despite effort to continue to maintain close communications with customers and partners to mitigate the impact of the ownership change, the disruption inevitably affected order flow and supply chain, causing delays in customer deployments which materially reduced the SD-WAN project volume of the Group and was the primary driver of the downturn in Hong Kong operations in 2025. The interruption affected both project flow and customer rollout schedules, significantly reducing contribution from what had previously been one of the strongest growth engines of the Group.

The data networks infrastructure business also softened, with total contracts secured decreasing by approximately 37% on a year-on-year basis. Telecommunications service providers remained cautious with capital expenditure amid market uncertainty, delaying or scaling back network upgrade plans, coupled with challenges from Mainland China vendors who combined cost advantages, bundled solutions and tight integration across their technology ecosystems to dominate both equipment supply and service-based tenders. With such headwinds, the Group continued to focus on maintaining customer relationships, optimising cost structures and positioning itself for recovery once vendor alignment stabilises and investment cycles normalise.

Business in Mainland China

The business of the Group in Mainland China also faced a particularly difficult year. Aggregate contracts awarded for SD-WAN and data network infrastructure projects at data centres declined by almost 38% as compared to 2024. Like Hong Kong, Mainland China witnessed a significant drawback to its SD-WAN segment due to another ownership change of the SD-WAN vendor that the Group represented, resulting in a drop of total contracts secured in 2025 by approximately 40% as compared to 2024. As business integration from ownership change settles, the Group expects that the product architecture, roadmap and market reach of SD-WAN will be reshaped, offering gains in performance, security, operational simplicity and cost efficiency to its customers in Mainland China.

The data networks infrastructure segment suffered an almost 38% decline in contracts secured, reflecting the broader impact of ongoing geopolitical tensions in the international front. These tensions influenced procurement decisions, technology related investment cycles and the pace of overseas data centres expansion plans of the two core global tech giants that the Group serves in Mainland China. Operating within a self-reinforcing cycle – more users generate more data; more data improves AI models; better AI drives more engagement; engagement increases network load; and network load requires more infrastructure – these two core customers are among the largest global private drivers of network-infrastructure demand, who invest heavily in hyperscale data centre networking infrastructure to support AI-driven, data-heavy platforms for the provision of high-frequency content delivery in various regional cloud availability zones. During 2025, these two core global tech giants that the Group serves adopted a more cautious approach to capital expenditure, staying vigilant over heightened regulatory scrutiny and restrictions that potentially affect certain categories of data centre networking equipment, resulting in delays in project approvals and, in some cases, the postponement or scaling back of planned upgrades. Despite these headwinds, the Group invested and further expanded the technical team in Mainland China during 2025, a testimony of the commitment of the Group in offering proactive, prompt, quality and strong technical support to its customers.

Other Investments

Tidestone Group – During the Year, project portfolio undertook by Tidestone Group centered around large-scale digital-transformation and infrastructure-modernisation solutions, with works generated from telecommunications service providers and Internet technology service providers from the provinces of Guangdong, Jiangxi, Hebei and Hunan and from the municipalities of Chongqing and Shanghai. Building and expanding from the original network management system architecture, today Tidetone Group offers solutions across five major initiatives, including 1. enterprise digital transformation application system; 2. integrated alarm expansion; 3. enterprise digital transformation collaborative integration service procurement solution; 4. enterprise end-to-end smart workflow and productivity platforms upgrade; and 5. power grid digital innovation information system. These initiatives reflect growing specialisation of Tidestone Group in enterprise digitalisation, collaborative-platform modernisation, alarm-system enhancements and critical-infrastructure IT innovation and contributed to a meaningful rise in commercial momentum, with total signed contracts increasing over 30% in 2025 over 2024, signalling stronger market penetration, higher project complexity, and growing customer demand for digital-transformation capabilities of Tidestone Group.

TTSA – With focus on cost optimisation and revenue stability, financial performance of TTSA strengthened meaningfully on a year-on-year basis. Revenue increased from HK$175,122,000 in 2024 to HK$180,372,000 in 2025, while gross profit rose from HK$3,077,000 to HK$10,265,000. Earnings before interest, tax, depreciation and amortisation grew from HK$40,364,000 in 2024 to HK$45,130,000 in 2025. TTSA achieved a turnaround from a loss of HK$620,000 in 2024 to a profit of HK$6,496,000 in 2025, driven by higher margins and disciplined cost control. These results underscored the resilience of the operations and the continued value as one of the telecommunications operators in Timor-Leste.

Regarding the acquisition of 57.06% of Oi in TTSA by the Government of Timor-Leste, the Government of Timor-Leste has formally informed Oi of their decision to terminate the acquisition. In January 2026, the Group was informed that a potential buyer will be acquiring 3.05% from one of the shareholders of TTSA. As at 27th March 2026, the transaction is not yet completed.

FINANCIAL REVIEW

Turnover and Profitability

With a stronger order book carried forward from 2024 and a healthy project pipeline from Macao in 2025, the Group reported revenue of HK$584,122,000 for 2025, representing just a modest drop of HK$20,672,000, or 3.42% over 2024. The decline reflected disruptions in business from Hong Kong and Mainland China, partially offset by strong growth in Macao. Despite softer revenue environment, due to completion of the service component of several projects and effort made to generate higher maintenance income, the Group managed to maintain a stable overall gross profit margin of approximately 19.36%, equating HK$113,114,000 for the Year.

The Group achieved a substantial improvement in overall profitability. Operating profit increased to HK$6,796,000, compared with HK$3,784,000 in 2024, driven by factors, including continued disciplined cost control via resource optimisation and stable project execution via refined internal processes that improved project delivery efficiency and service quality. Freight costs scale linearly with volume of data networking infrastructure contracts at overseas data centres. With fewer contracts secured from Mainland China in 2025, freight costs reduced proportionally, resulting in selling and marketing expenses to decrease significantly.

Cost control remains a key priority for the Group. As always, management prioritises efficiency gains over blanket cuts and continues to put efforts to 1. improve operational efficiency via streamlining workflows to eliminate redundancies; 2. make strategic procurement via negotiating better supplier contracts; 3. exercise financial discipline to enforce strict budget monitoring; and 4. initiate revenue-linked cost management by focusing on cutting costs that do not directly contribute to revenue. Although cost discipline is key, people who are core assets of the Group are never compromised. During the Year, management continued to extend a salary increase at the beginning of the year to award and motivate employees. During the Year, to ensure workforce is optimised, management continued to align staffing levels with demand and to invest in employee training to boost productivity and enhance the technical capabilities and operational resilience of the Group in emerging technologies, including AI-enabled surveillance analytics and next generation network architecture.

With improved operating costs, the Group reported profit for the Year of HK$8,739,000 as compared to profit for 2024 of HK$7,628,000.

Working Capital and Financial Position

The Group continued to strengthen its working capital position during the Year. Inventory increased from HK$20,564,000 as at 31st December 2024 to HK$37,765,000 as at 31st December 2025, which reflected proactive efforts to support a strong project pipeline and ensure timely delivery of ongoing and upcoming contracts. With continued emphasis on timely recovery of outstanding receivables and ongoing efforts to negotiate improved credit terms with different suppliers, trade receivables and trade payable decreased respectively from HK$185,426,000 and HK$125,247,000 as at 31st December 2024 to HK$174,979,000 and HK$113,829,000 as at 31st December 2025.

The Group continued to enjoy a healthy capital structure. During the Year, the Group continued to utilise short term bank borrowings to bridge temporary cashflow gaps associated with project execution. Bank borrowings increased from HK$5,725,000 as at 31st December 2024 to HK$19,318,000 as at 31st December 2025. Despite higher borrowings, supported by improved profitability and strengthened liquidity, total net cash and cash equivalents (net of borrowings and include yield enhanced financial instruments) improved significantly from HK$68,726,000 as at 31st December 2024 to HK$103,607,000 as at 31st December 2025 while net asset value increased to HK$217,637,000 as at 31st December 2025.

Among the bond holdings were HK$2,475,000 from MGM China Holdings Limited (a company incorporated in the Cayman Islands with limited liability and whose ordinary shares of HK$1 each are listed on the Main Board), HK$2,459,000 from Electricité de France, Société Anonyme (a company incorporated in the French Republic with limited liability), HK$2,456,000 from The Toronto-Dominion Bank (a bank incorporated in Canada with limited liability and whose common shares are listed on the New York Stock Exchange in USA and the Toronto Stock Exchange in Canada) and HK$2,438,000 from Alibaba Group Holding Limited (a company incorporated in the Cayman Islands with limited liability and whose ordinary shares of US$0.000003125 each are listed on the Main Board).

2026 Outlook

The outlook for 2026 is expected to be challenging, due to competitive pricing pressure, macroeconomic uncertainties, geopolitical tensions and recent sharp price escalation of data networking equipment and servers due to global shortages of dynamic RAM (DRAM) and solid-state drives (SSD), which is driven largely by AI data centres demand and supply chain reallocation by major memory manufacturers. As a result, it is expected that the Group will face margin pressure, project delays and client pushback due to escalating equipment prices. While some of these risks are unavoidable and could translate to project losses, management will try to minimise these risks through prudent management practices, diversified service offerings and long term client engagement.

CORPORATE GOVERNANCE

The Company applied the principles in the Code by complying with the Code throughout the Year, except that the management do not provide all Directors with monthly updates.

D.1.2 Management consider that quarterly updates and periodic instant updates when developments arising out of the ordinary business instead of monthly updates are sufficient for the Board to discharge its duties. Management is also available to address any inquiries from the Directors.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

The Company did not redeem any of the Shares during the Year. Neither the Company nor any of its subsidiaries purchased or sold any of the Shares during the Year.

SCOPE OF WORK OF THE AUDITOR

The figures in respect of the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated balance sheet and the related notes of the Group thereto for the Year as set out in this preliminary announcement were agreed by the Auditor to the amounts set out in the draft consolidated financial statements of the Group for the Year. The work performed by the Auditor in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion was expressed by the Auditor on the preliminary announcement.

DEFINITIONS

"AGM"	annual general meeting
"Auditor"	Ernst & Young, the auditor of the Company
"Board"	the board of Directors (not applicable to Main Board)
"Brazil"	The Federative Republic of Brazil
"BVI"	the British Virgin Islands
"Capital Market Intermediary"	any corporation or authorised financial institution, licensed or registered under SFO that engages in specified activities under paragraph 21.1.1 of the Code of Conduct, including, without limitation, a Capital Market Intermediary appointed pursuant to rule 6A.40 of the GEM Listing Rules. An Overall Coordinator is also a Capital Market Intermediary
"Code"	the code provision of the Corporate Governance Code set out in Appendix C1 of the GEM Listing Rules (not applicable to Code of Conduct)
"Code of Conduct"	Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission established under section 3 of the Securities and Futures Commission Ordinance and continuing in existence under section 3 of SFO
"Company"	Vodatel Networks Holdings Limited
"Debt Securities"	debenture or loan stock, debentures, bonds, notes and other securities or instruments acknowledging, evidencing or creating indebtedness, whether secured or unsecured and options, warrants or similar rights to subscribe or purchase any of the foregoing and convertible debt securities
"Director"	the director of the Company
"Exchange"	The Stock Exchange of Hong Kong Limited, a company incorporated in Hong Kong with limited liability (not applicable to New York Stock Exchange and Toronto Stock Exchange)
"GEM"	GEM operated by the Exchange

"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM made by the Exchange from time to time, their appendices, listing application forms, formal applications, marketing statements and declarations required to be made in respect of listing on GEM by Sponsors, Overall Coordinators and Issuers and other forms published in the "Regulatory Forms" section of the Website of the Exchange from time to time and the rules governing listing or issue fees, and levies, trading fees, brokerage and other charges relating to transactions of securities listed or to be listed on GEM as published in the "Fees Rules" section of the Website of the Exchange from time to time, published on the Website of the Exchange that are indicated as being part of the GEM Listing Rules, any contractual arrangement entered into with any party under them, and rulings of the Exchange made under them
"Group" or "Vodatel"	the Company and its subsidiaries (not applicable to Alibaba Group Holding Limited and Tidestone Group)
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"HKAS"	Hong Kong Accounting Standard(s)
"HK cent"	Hong Kong cent, where 100 HK cents equal HK$1
"HKEC"	Hong Kong Exchanges and Clearing Limited, a company incorporated in Hong Kong with limited liability
"HKFRS"	financial reporting standard(s) and interpretations issued by HKICPA. They comprise 1. Hong Kong Financial Reporting Standards, 2. HKAS, and 3. Interpretations, which are also known as HKFRS Accounting Standards
"HKICPA"	the Hong Kong Institute of Certified Public Accountants, established under the Professional Accountants Ordinance (Chapter 50 of the Laws of Hong Kong)
"Hong Kong"	the Hong Kong Special Administrative Region of PRC (not applicable to Hong Kong Accounting Standard(s), Hong Kong Exchanges and Clearing Limited, Hong Kong Financial Reporting Standards, the Hong Kong Institute of Certified Public Accountants and The Stock Exchange of Hong Kong Limited)
"Issuer"	any company or other legal person any of whose equity or Debt Securities are the subject of an application for listing on GEM or some or all of whose equity or Debt Securities are already listed on GEM
"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
"Member"	the holder of the Shares
"Oi"	Oi S.A. – in Judicial Reorganisation, a company incorporated in Brazil with limited liability and whose shares are listed on B3 S.A. – Brasil, Bolsa, Balcão in Brazil
"Overall Coordinator"	a Capital Market Intermediary that engages in specified activities under paragraphs 21.1.1 and 21.2.3 of the Code of Conduct, including, without limitation, an Overall Coordinator appointed pursuant to rule 6A.42 of the GEM Listing Rules
"PRC"	The People's Republic of China
"SD-WAN"	software-defined networking in a wide area network
"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
"Sponsor"	any corporation or authorised financial institution licensed or registered under SFO for Type 6 regulated activity and permitted under its licence or certificate of registration to undertake work as a Sponsor and, as applicable, which is appointed as a Sponsor pursuant to rule 6A.02 of the GEM Listing Rules
"Tidestone Group"	Capital Instant Limited, a company incorporated in BVI with limited liability and an indirect associate of the Company, and its subsidiaries
"Timor-Leste"	The Democratic Republic of Timor-Leste

"TTSA"	Timor Telecom, S.A., a company incorporated in Timor-Leste with limited liability
"US$"	United States dollar, the lawful currency of USA
"USA"	The United States of America
"VHL"	Vodatel Holdings Limited, incorporated in BVI with limited liability and an indirect wholly-owned subsidiary of the Company
"Website of the Exchange"	the official website of HKEC and/or the website "HKEXnews" which is used for publishing regulatory information of Issuers
"Year"	the year ended 31st December 2025

By order of the Board
José Manuel dos Santos
Chairman

Hong Kong, 27th March 2026

Executive Directors	**Non-executive Director**	**Independent non-executive Directors**
José Manuel dos Santos	Ho Wai Chung Stephen	Fung Kee Yue Roger
Kuan Kin Man		Wong Tsu Au Patrick
Monica Maria Nunes		Wong Kwok Kuen

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*