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VANDA GROUP

VANDA SYSTEMS & COMMUNICATIONS HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

EXCEPTIONAL PRICE AND TURNOVER MOVEMENT

The board (“**Board**”) of directors (“**Directors**”) of the Company noted an increase in the price and trading volume of the shares of the Company (“**Shares**”) today. The Board wishes to state that, save as disclosed in the announcement of the Company dated 3 September 2003, they are not aware of any reasons for the increase in the price and trading volume of the Shares.

The Board has noted the increase in the price and trading volume of the Shares today and wishes to state that, save for the matters described in the announcement of the Company dated 3 September 2003, they are not aware of any reasons for such increase.

The closing prices of the Shares on 3 September 2003 and 4 September 2003 were HK\$0.74 and HK\$1.09 respectively. The trading volume of the Shares on 4 September 2003 was 129,732,000 Shares. For information purposes, the Company has been informed by Lam Ma & Wai Limited (“**LMW**”) that it has disposed of 2,500,000 Shares on market at prices ranging from HK\$1.03 to HK\$1.09 today. Shares disposed of by LMW represent approximately 0.2% of the issued share capital of the Company as at the date of this announcement. After the disposal of such Shares, the interest of LMW in the issued share capital of the Company has decreased from 8.5% to 8.3%. The issued share capital of LMW is owned as to 45.94% by Mr. Lam Hon Nam, an executive Director.

The Directors also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement, neither is the Board aware of any matter discloseable under the general obligation imposed by paragraph 2 of the Listing Agreement, which is or may be of a price-sensitive nature.

Made by the order of the Board the Directors of which individually and jointly accept responsibility for the accuracy of this statement.

By order of the Board
Lee Sung Kit
Company Secretary

Hong Kong, 4 September 2003

“Please also refer to the published version of this announcement in China Daily”