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# **VANDA SYSTEMS & COMMUNICATIONS HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

## **PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF HUTCHISON GLOBAL COMMUNICATIONS INVESTMENTS LIMITED AND POWERCOM NETWORK HONG KONG LIMITED**

### **MAJOR AND CONNECTED TRANSACTION, MAJOR TRANSACTION AND ONGOING CONNECTED TRANSACTIONS**

### **APPLICATION FOR SHARE WHITEWASH WAIVER FROM THE OBLIGATION TO MAKE A MANDATORY GENERAL OFFER TO ACQUIRE SHARES IN**

### **VANDA SYSTEMS & COMMUNICATIONS HOLDINGS LIMITED**

### **PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL**

### **PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES**

### **PROPOSED REFRESHMENT OF SHARE OPTION SCHEME LIMIT**

### **PROPOSED CHANGE OF COMPANY NAME**

The Circular containing, among other things, further details of the Transactions, the Share Whitewash Waiver, certain ongoing connected transactions of Vanda after completion of the Transactions, the proposed increase in the authorised share capital of Vanda, the proposed grant of the general mandates to issue and repurchase Vanda Shares, the proposed refreshment of share option scheme limit of Vanda and the proposed change of Vanda's name, has been despatched to the Shareholders on 18 February 2004.

## **DESPATCH OF THE CIRCULAR**

Reference is made to the joint announcement issued by HWL, CKH and Vanda dated 28 January 2004 in relation to, among other things, the HGC Transaction, the PowerCom Transaction and the Whitewash Waivers, the joint announcement issued by HWL, CKH and Vanda dated 31 January 2004 in connection with the Placing and the announcement issued by Vanda dated 10 February 2004 in relation to the proposed change of Vanda's company name. Terms used in this announcement shall have the same meanings as those defined in the said joint announcement dated 28 January 2004 unless the context requires otherwise.

The Vanda Directors announce that a circular ("Circular") containing, among other things, further details of the Transactions, the Share Whitewash Waiver, certain ongoing connected transactions of Vanda after completion of the Transactions, the proposed increase in the authorised share capital of Vanda, the proposed grant of general mandates to issue and repurchase Vanda Shares, the proposed refreshment of the share option scheme limit of Vanda, the proposed change of Vanda's name and the notice of the SGM has been despatched to the Shareholders on 18 February 2004 together with the relevant form of proxy for use at the SGM.

The Circular contains, among other things, the letter from Somerley Limited (“Somerley”) as the independent financial adviser to the independent board committee of Vanda (“Independent Board Committee”) and the letter from the Independent Board Committee to the independent Shareholders setting out their respective recommendations in respect of the Transactions, the Share Whitewash Waiver and certain ongoing connected transactions of Vanda after completion of the Transactions which require independent Shareholders’ approval.

Shareholders’ attention is drawn to such letter from the Independent Board Committee and the letter from Somerley to the Independent Board Committee contained in the Circular. Shareholders are advised to review the Circular carefully before deciding to vote in favour of or against the resolutions to be proposed at the SGM.

By Order of the Board  
**Vanda Systems & Communications Holdings Limited**  
**Loh Tiak Koon**  
*Chief Executive Officer and Executive Director*

Hong Kong, 18 February 2004

*The Vanda Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.*

Please also refer to the published version of this announcement in The Standard dated 19 February 2004.