



VANDA SYSTEMS & COMMUNICATIONS HOLDINGS LIMITED
中聯系統控股有限公司

(incorporated in Bermuda with limited liability)

RESULTS OF THE SPECIAL GENERAL MEETINGS IN RESPECT OF

**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 Vanda Directors are pleased to announce that all the resolutions approving 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 and the proposed change of Vanda's name, were duly passed at the special general meetings of Vanda held on 5 March 2004.

Reference is made to (1) the joint announcement issued by HWL, CKH and Vanda dated 28 January 2004 in relation to, among other things, the Transactions and the Whitewash Waivers (the "Announcement"), (2) the joint announcement issued by HWL, CKH and Vanda dated 31 January 2004 in relation to the Placing (as defined in that announcement), (3) the announcement issued by Vanda dated 10 February 2004 in relation to the proposed change of Vanda's name, (4) the circular issued by Vanda dated 18 February 2004 to the Shareholders 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 and the proposed change of Vanda's name, and (5) the announcement issued by Vanda dated 3 March 2004 in relation to certain ongoing connected transactions of Vanda after completion of the Transactions. Terms used in this announcement shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

RESULTS OF THE SPECIAL GENERAL MEETINGS

The Vanda Directors are pleased to announce that all the resolutions approving 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 and the proposed change of Vanda's name, were duly passed at the special general meetings of Vanda held on 5 March 2004.

In particular, the resolution approving, among others, the Share Whitewash Waiver was approved, by way of a poll, by the independent Shareholders holding an aggregate of 395,613,333 Vanda Shares, representing all Vanda Shares held by the 4 independent Shareholders present and voting in person or by proxy at the special general meeting of Vanda held on 5 March 2004 at which the resolution was proposed.

As there were no further transactions relating to Vanda Shares committed before the date of the SGM which would have the effect of reducing the collective percentage shareholding of HGC Vendor and its Concert Parties in Vanda to 50% or below of the issued share capital of Vanda immediately after completion of the Transactions, the Placing (as defined in the joint announcement dated 31 January 2004) and any such further transactions, the part of the resolution approving the Convertible Note Whitewash Waiver was deemed to have been withdrawn, and the Convertible Note Whitewash Waiver ceased to be a condition precedent to both the HGC Completion and the PowerCom Completion.

COMPLETION OF THE TRANSACTIONS

Subject to all the other conditions precedent to the HGC Acquisition Agreement and the PowerCom Acquisition Agreement having been fulfilled or waived (as the case may be), completion of the Transactions is expected to take place before 13 March 2004.

Immediately following completion of the Transactions and of the Placing and assuming there are no other changes in the shareholding in Vanda after the date hereof, the HWL Group will hold 3,626,888,793 Vanda Shares representing approximately 52.55% of the enlarged issued share capital of Vanda (before exercise of any conversion rights under the HGC Consideration Convertible Note) and will hold 6,960,222,126 Vanda Shares representing approximately 68.01% of the enlarged issued share capital of Vanda (assuming the HGC Consideration Convertible Note is fully converted at the initial conversion price of HK\$0.96 per Vanda Share). Assuming there are no other changes in the shareholding in Vanda after the date hereof, if the principal amount of HK\$1 billion is fully drawn down against the Facility and the Facility Convertible Notes are fully converted into new Vanda Shares at the conversion price of HK\$0.96 per Vanda Share, the shareholding of the HWL Group in Vanda is expected to increase to 8,001,888,792 Vanda Shares representing approximately 70.96% of the enlarged issued share capital of Vanda.

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

Hong Kong, 5 March 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 8 March 2004.