



**VANDA SYSTEMS & COMMUNICATIONS HOLDINGS LIMITED**  
*(Incorporated in Bermuda with limited liability)*

**EXCEPTIONAL PRICE AND TURNOVER MOVEMENT**

The board ("Board") of directors ("Directors") of Vanda Systems & Communications Holdings Limited ("the Company") noted an increase in trading volume and a decrease in the price of the shares of the Company today. The Board wish to state that they are not aware of any reasons for such changes.

Save in respect of the matter disclosed below and the matters disclosed in the Company's announcement dated 28 January 2004, 31 January 2004, 10 February 2004, 18 February 2004, 3 March 2004 and 5 March 2004, there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement and the Board are not 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.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Board have noted an increase in the trading volume and a decrease in price of the shares of the Company today and wish to state that they are not aware of any reasons for such changes.

The Directors are considering at a preliminary and exploratory stage various possible business and other opportunities which may be available to the Company following completion of the Transactions (as defined in the Company's joint announcement dated 28 January 2004) now scheduled to occur on 12 March 2004. Concrete terms upon which any such opportunities may be pursued have yet to be considered by the Board.

**The Stock Exchange will closely monitor all future acquisitions or disposals of assets by the Company. The Stock Exchange has indicated that it has the discretion to require the Company to issue an announcement and a circular to its shareholders irrespective of the size of any transactions which may result from the pursuit of these or other opportunities by the Company, particularly when any such proposed transactions will represent a departure from the principal activities of the Company. The Stock Exchange also has the power, pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") to aggregate a series of transactions of the Company and any such transactions may result in the Company being treated as if it were a new listing applicant as set out in the Listing Rules. As these possible opportunities may or may not be successfully pursued or materialized, holders of securities of the Company and potential investors are advised by the board of directors of the Company to exercise caution in their dealings in the securities of the Company.**

Save in respect of the above and the matters disclosed in the Company's announcement dated 28 January 2004, 31 January 2004, 10 February 2004, 18 February 2004, 3 March 2004 and 5 March 2004, there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under paragraph 3 of the Listing Agreement, and the Board are not 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.

Vanda Systems & Communications Holdings Limited

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

Hong Kong, 10 March 2004

Please also refer to the published version of this announcement in The Standard dated 11 March 2004.