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VALUE CONVERGENCE HOLDINGS LIMITED  
 滙盈控 股 有 限 公 司

(Incorporated in Hong Kong with limited liability)

website: <http://www.valueconvergence.com>

(Stock Code: 8101)

**ANNOUNCEMENT PURSUANT TO RULES 17.15 TO 17.17  
 OF THE GEM LISTING RULES**

This announcement is made pursuant to Rules 17.15 to 17.17 of the GEM Listing Rules.

Under Rules 17.15 to 17.17 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”), a company listed on GEM is required to disclose certain details of relevant advances to an entity and its subsidiaries and associated companies if such advances exceed 8% of its assets ratio as defined under rule 19.07(1) (the “**Asset Ratio**”). A disclosure obligation also arises where the relevant advance to an entity increases from that previously disclosed and the amount of the increase since is 3% or more under the Assets Ratio.

Accordingly, Value Convergence Holdings Limited (the “**Company**”) makes this announcement to disclose as follows:

**13 March 2006**

On 13 March 2006, the Company, through its subsidiary VC Brokerage Limited (“**VC Brokerage**”) made advances in an aggregate amount of approximately HK\$335 million to the following clients, who are independent of and not connected with the Company, its directors, chief executive and the substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules) of the Company. Details of each of the account receivables are as follows:

<b>Clients</b>	<b>Approximate amount of accounts receivables as at 13 March 2006 (HK\$)</b>	<b>Repayment terms</b>	<b>Type of collateral</b>	<b>Interest Rates</b>
Mr. Liu Chak Yu Ms. Ho Sai Ching (“ <b>Entity A</b> ”)	128.2 million	On demand	Listed securities	Not more than 12.75%
Mr. Qin Kebo Ms. Yang Juan Sun Ascent Investment Limited China Sun Fund Management Limited (“ <b>Entity B</b> ”)	96.1 million	On demand	Listed securities	Not more than 12.75%

<b>Clients</b>	<b>Approximate amount of accounts receivables as at 13 March 2006 (HK\$)</b>	<b>Repayment terms</b>	<b>Type of collateral</b>	<b>Interest Rates</b>
GA Oasis Investment Limited ("Entity C")	64.4 million	On demand	Listed securities	Not more than 12.75%
Fullgain International Investment Limited ("Entity D")	46.2 million	On demand	Listed securities	Not more than 10.75%

Each of the account receivables resulted from an extension of funds to the respective entities referred above to (i) subscribe for shares in a company under an initial public offer; and/or (ii) trade listed securities on the Stock Exchange by way of securities margin financing, which was made in the ordinary and usual course of business of VC Brokerage and on normal commercial terms.

As the amount of each of the account receivables listed above exceeded 8% of the Company's latest published total assets, the Company is under a general disclosure obligation to disclose certain particulars of the account receivables as prescribed under Rule 17.17 of the GEM Listing Rules.

### **16 March 2006**

As at 16 March 2006, the account receivables due from Entity A and Entity D increased to approximately HK\$291.7 million and HK\$142.1 million respectively. Each of the increases in the account receivables due from Entity A and Entity D since the previously disclosed balances exceeded the Company's latest published total assets by more than 3%. The changes in the details of the account receivables from Entity A and Entity D are summarised as follows:

<b>Clients</b>	<b>Amount previously disclosed (HK\$)</b>	<b>Amount as at 16 March 2006 (HK\$)</b>	<b>Repayment terms</b>	<b>Types of collateral</b>	<b>Interest Rates</b>
Entity A	128.2 million	291.7 million	On demand	Listed securities	Not more than 12.75%
Entity D	46.2 million	142.1 million	On demand	Listed securities	Not more than 10.75%

The increase in the account receivables from each of Entity A and Entity D resulted from the further extension of funds to each of them to (i) subscribe for shares in a company under an initial public offer; and/or (ii) trade listed securities on the Stock Exchange by way of securities margin financing, which was made in the ordinary and usual course of business of VC Brokerage and on normal commercial terms.

In addition to the disclosure above, on 16 March 2006, VC Brokerage further advanced an aggregate amount of approximately HK\$330 million to the following clients who are independent of and not connected with the Company, its directors, chief executive and the substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules) of the Company. Details of each of the account receivables to the following clients are summarised as follows:

<b>Clients</b>	<b>Approximate amount of accounts receivables as at 16 March 2006 (HK\$)</b>	<b>Repayment terms</b>	<b>Type of collateral</b>	<b>Interest Rates</b>
Mr. Lo Chiu Wai (“ <b>Entity E</b> ”)	75.9 million	On demand	Listed securities	Not more than 10.75%
Equity Valley Investments Limited (“ <b>Entity F</b> ”)	64.7 million	On demand	Listed securities	Not more than 10.75%
Mr. Lee Dao Bon, Barton (“ <b>Entity G</b> ”)	68.5 million	On demand	Listed securities	Not more than 12.75%
Mr. Chatru Gulab Ms. Varsha C. Gulab A.D. Gulab (H.K.) Limited Rose Dynasty Limited (“ <b>Entity H</b> ”)	60.4 million	On demand	Listed securities	Not more than 12.75%
Mr. Chan Yuen Tung (“ <b>Entity I</b> ”)	60.5 million	On demand	Listed securities	Not more than 10.75%

Each of the account receivables listed above resulted from an extension of funds to the respective entities referred above to (i) subscribe for shares in a company under an initial public offer; and/or (ii) trade listed securities on the Stock Exchange by way of securities margin financing, which was made in the ordinary and usual course of business of VC Brokerage and on normal commercial terms.

As the amount of each of the account receivables listed above exceeded 8% of the Company’s latest published total assets, the Company is under a general disclosure obligation to disclose certain particulars of the accounts receivables as prescribed under Rule 17.17 of the GEM Listing Rules.

## **21 March 2006**

As at 21 March 2006, the account receivables due from Entity G increased to approximately HK\$84.7 million. The amount of increase in the account receivables due from Entity G since the above disclosed balance exceeded the Company's latest published total assets by more than 3%. The changes in the details of the account receivables from Entity G are summarised below:

<b>Client</b>	<b>Amount previously disclosed (HK\$)</b>	<b>Amount as at 21 March 2006 (HK\$)</b>	<b>Repayment terms</b>	<b>Types of collateral</b>	<b>Interest Rates</b>
Entity G	68.5 million	84.7 million	On demand	Listed securities	Not more than 12.75%

The increase in the account receivables due from Entity G resulted from the further extension of funds to Entity G to trade listed securities on the Stock Exchange by way of securities margin financing which was made in the ordinary and usual course of business of VC Brokerage and on normal commercial terms.

## **24 March 2006**

As at 24 March 2006, the account receivables due from Entity B and Entity H to VC Brokerage increased to approximately HK\$115.2 million and HK\$74.9 million respectively. Each of the amount of increase in the account receivables due from Entity B and Entity H, since the previously disclosed balance exceeded the Company's latest published total assets by more than 3%. The changes in the details of the account receivables from Entity B and Entity H are summarised as follows:

<b>Clients</b>	<b>Amount previously disclosed (HK\$)</b>	<b>Amount as at 24 March 2006 (HK\$)</b>	<b>Repayment terms</b>	<b>Types of collateral</b>	<b>Interest Rates</b>
Entity B	96.1 million	115.2 million	On demand	Listed securities	Not more than 12.75%
Entity H	60.4 million	74.9 million	On demand	Listed securities	Not more than 12.75%

The increase in the account receivables from each of Entity B and Entity H resulted from the further extension of funds to each of them to (i) subscribe for shares in a company under the initial public offer; and/or (ii) trade listed securities on the Stock Exchange by way of securities margin financing, which was made in the ordinary and usual course of business of VC Brokerage and on normal commercial terms.

## 21 April 2006

As at 21 April 2006, the account receivables due from Entity A, Entity B and Entity H increased to approximately HK\$310.9 million, HK\$166.5 million and HK\$109.6 million respectively. Each of the increases in the account receivables due from Entity A, Entity B and Entity H since the previously disclosed balances exceeded the Company's latest published total assets by more than 3%. The changes in the details of the account receivables from Entity A, Entity B and Entity H are set out as follows:

<b>Clients</b>	<b>Amount previously disclosed (HK\$)</b>	<b>Amount as at 21 April 2006 (HK\$)</b>	<b>Repayment terms</b>	<b>Types of collateral</b>	<b>Interest rates</b>
Entity A	291.7 million	310.9 million	On demand	Listed securities	Not more than 13%
Entity B	115.2 million	166.5 million	On demand	Listed securities	Not more than 13%
Entity H	74.9 million	109.6 million	On demand	Listed securities	Not more than 13%

The increase in the account receivables from each of Entity A, Entity B and Entity H resulted from the further extension of funds to each of them to (i) subscribe for shares in a company under the initial public offer; and/or (ii) trade listed securities on the Stock Exchange by way of securities margin financing, which was made in the ordinary and usual course of business of VC Brokerage and on normal commercial terms.

Save as disclosed above, the directors of the Company confirm that the Company does not have other disclosure obligation under Rules 17.15 to 17.17 of the GEM Listing Rules with respect to Entities A to I as at the date of this announcement.

By order of the Board of  
**Value Convergence Holdings Limited**  
**Samuel Tsang**  
*Company Secretary*

Hong Kong, 25 August 2006

*As at the date hereof, the Board comprises two Executive Directors, namely, Mr. Ho, Lawrence Yau Lung (President and Vice Chairman) and Mr. Patrick Sun; two Non-executive Directors, namely, Dr. Ho Hung Sun, Stanley (Chairman) and Dr. Lee Jun Sing; and three Independent Non-executive Directors, namely, Attorney Patajo-Kapunan, Lorna, Mr. Sham Sui Leung, Daniel and Dr. Tyen Kanhee, Anthony.*

*This announcement, for which the directors of VALUE CONVERGENCE HOLDINGS LIMITED collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to VALUE CONVERGENCE HOLDINGS LIMITED. The directors of VALUE CONVERGENCE HOLDINGS LIMITED, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at [www.valueconvergence.com](http://www.valueconvergence.com).*