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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 “**Assets Ratio**”). A disclosure obligation also arises where the relevant advance to an entity increases from that previously disclosed and the amount of the increase is 3% or more under the Assets Ratio.

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

As more particularly set out below, VC Brokerage Limited (“**VC Brokerage**”), a subsidiary of the Company, has made advances on normal commercial terms to various entities primarily to subscribe for shares in companies under an initial public offer (“**IPO**”) and/or to trade listed securities on the Stock Exchange by way of securities margin financing, which are all in the ordinary and usual course of business of the Company.

The advances were made on the basis of VC Brokerage’s credit assessments on the client’s financial strength, repayment ability and securities collateral provided. In respect of margin financing, VC Brokerage would consider the quality of the listed securities and the financial strength and repayment ability of the clients to determine the level of advances to be made.

In respect of an advance made for the subscription for shares under an initial public offer, the likely popularity and liquidity of the relevant stock to be listed and the relatively short term nature of such advances were further considered. In respect of all advances in relation to IPO financing, the Company expects that the full value of the IPO stocks would be collateralised when the shares are allotted. Any collateral provided by the relevant Entity for IPO and/or margin financing will not be released by VC Brokerage unless and until all sums due and owing to VC Brokerage either have been fully repaid by the relevant Entity or continue to be fully covered by the remaining collateral.

As at the date of this announcement, all advances mentioned in this announcement in respect of IPO financing have been fully repaid by the relevant Entities. After taking into the account the factors as disclosed above in assessing the risks of the relevant advances, the Company considered that the risks involved in the relevant advances to the entities set out below were relatively low. The applicable interest rates were equivalent to those charged to other borrowers of similar financial standing.

## 29 November 2006

On 29 November 2006, VC Brokerage advanced approximately HK\$103.7 million to Entity AE which is independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules). Details of the account receivables to Entity AE are set out as follows:

Client	Approximate amount of account receivable as at 29 November 2006 (HK\$)	% of the then latest published total assets of the Company	% of advance to the then latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AE	64.0 million				Zhaojin Mining Industry Company Limited (535 times)
	39.1 million				Kingboard Laminates Holdings Limited (142.7 times)
	0.6 million				Margin Financing
	<hr/> 103.7 million	18.4%	53.9%	10.5 million	

In respect of the above advances made to Entity AE, the repayment terms were on demand. All advances including IPO financing and margin financing were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage and were made at an interest rate of not more than 10.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entity AE, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate. The financing periods to Entity AE in relation to the IPO of Zhaojin Mining Industry Company Limited was 8 days and of Kingboard Laminates Holdings Limited was 7 days from the closing date of the relevant IPO.

Entity AE is a wholly-owned subsidiary of a company listed on the main board of the Stock Exchange of Hong Kong Limited mainly engaged in the distribution of electronic components. The principal activity of Entity AE is property and investment holding. Entity AE has been a client of VC Brokerage for more than 2 years and has never defaulted in the repayment in any advance made by VC Brokerage.

As the amount of the account receivables listed above exceeded 8% of the Company's then 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.

### 30 November 2006

As at 30 November 2006, VC Brokerage advanced an aggregate amount of approximately HK\$106.0 million to 2 entities which are independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules). Details of each of the account receivables to such new entities are set out as follows:

Client	Approximate amount of account receivable as at 30 November 2006 (HK\$)	% of the then latest published total assets of the Company	% of advance to the then latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AF	24.2 million				Zhaojin Mining Industry Company Limited (535 times)
	14.9 million				Kingboard Laminates Holdings Limited (142.7 times)
	16.9 million				China Communications Services Corporation Limited (329 times)
	56.0 million	9.9%	29.2%	0.4 million	
Entity AG	50.0 million	8.9%	26%	0.6 million	China Communications Services Corporation Limited (329 times)

In respect of the above advances made to Entities AF and AG, the repayment terms were on demand. All advances including IPO financing and margin financing were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage. The advances to Entity AF and AG were made at interest rates of not more than 12.75% and 10.75% respectively. The interest rates disclosed represent the interest rates in respect of margin financing advances (if any) to Entity AF and AG, and interest rates in respect of IPO advances were significantly lower than the aforementioned rates. The financing period to the above entities in relation to the IPO of Zhaojin Mining Industry Company Limited was 8 days, and of Kingboard Laminates Holdings Limited and China Communications Services Corporation Limited was 7 days from the closing date of the relevant IPO.

Entities AF and AG are both high net worth individuals. Neither of them has ever defaulted in respect of advances made by VC Brokerage. They have been clients of VC Brokerage for more than 2 years.

As the amount of each of the account receivables listed above exceeded 8% of the Company's then 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.

As of 30 November 2006, the account receivables due from Entity N, which is independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules), increased to HK\$93.8 million. The increase in the account receivables due from Entity N since the previously disclosed balances exceeded 3% of the Company's then latest published total assets. The changes in the details of the account receivables from Entity N are summarised as follows:

Client	Amount previously disclosed (HK\$)	Amount as at 30 November 2006 (HK\$)	% of the then latest published total assets of the Company	% of advance to the then latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity N	56.6 million	28.8 million				Zhaojin Mining Industry Company Limited (535 times)
		35.0 million				Kingboard Laminates Holdings Limited (142.7 times)
		30.0 million				China Communications Services Corporation Limited (329 times)
		<hr/>				
		93.8 million	16.6%	48.8%	17.2 million	

In respect of the advances made to Entity N, the repayment terms were on demand. The advances were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage. The advances were made at an interest rate of not more than 12.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entity N, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate.

The financing period to Entity N in relation to the IPO of Zhaojin Mining Industry Company Limited was 8 days, and of Kingboard Laminates Holdings Limited and China Communications Services Corporation Limited was 7 days from the closing date of the relevant IPO.

Entity N is a privately owned company principally engaged in jewellery trading. It has been a client of VC Brokerage for more than 3 years and has never defaulted in repayment in respect of advances made by VC Brokerage.

Pursuant to Rule 17.16 of the GEM Listing Rules, as the relevant advance to Entity N increased from that previously disclosed and the amount of the increase is 3% or more under the then applicable Assets Ratio, the Company is under a general disclosure obligation to disclose certain particulars of the account receivable as prescribed under Rule 17.17 of the GEM Listing Rules.

## 6 December 2006

On 6 December 2006, VC Brokerage advanced an aggregate amount of approximately HK\$83.1 million to Entity AH which is independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules). Details of the account receivables to such new entity are set out as follows:

Client	Approximate amount of account receivable as at 6 December 2006 (HK\$)	% of the then latest published total assets of the Company	% of advance to the then latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AH	11.5 million				Zhaojin Mining Industry Company Limited (535 times)
	62.1 million				China Communications Construction Company Limited (219.97 times)
	<u>9.5 million</u>				Margin Financing
	83.1 million	14.7%	43.2%	9.9 million	

In respect of the above advances made to Entity AH, the repayment terms were on demand. All advances including IPO financing and margin financing were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage. The advances to Entity AH were made at an interest rate of not more than 12.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances to Entity AH, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate. The financing periods to the above entity in relation to the IPO of Zhaojin Mining Industry Company Limited and China Communications Construction Company Limited were both 8 days from the closing date of the relevant IPO.

Entity AH comprises two high net worth individuals and they have never defaulted in respect of advances made by VC Brokerage. They have been clients of VC Brokerage for more than 5 years.

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

## 7 December 2006

On 7 December 2006, VC Brokerage advanced an aggregate amount of approximately HK\$54.0 million to Entity AI which is independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules). Details of the account receivables to such new entity are set out as follows:

Client	Approximate amount of account receivable as at 7 December 2006 (HK\$)	% of the then latest published total assets of the Company	% of advance to the latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AI	4.2 million				China Communications Construction Company Limited (219.97 times)
	49.8 million				Shanghai Jin Jiang International Hotels (Group) Company Limited (382 times)
	54.0 million	9.6%	28.1%	1.9 million	

In respect of the above advances made to Entity AI, the repayment terms were all on demand. The advances for IPO financing were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage. The advances to Entity AI were made at an interest rate of not more than 10.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entity AI, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate. The financing period to Entity AI was 8 days from the closing date of China Communications Construction Company Limited's IPO, and 7 days from the closing date of Shanghai Jin Jiang International Hotels (Group) Company Limited's IPO.

Entity AI is a high net worth individual and has never defaulted in respect of advances made by VC Brokerage. Entity AI has been a client of VC Brokerage for more than 8 years.

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

### 13 December 2006

On 13 December 2006, VC Brokerage advanced approximately HK\$162.5 million to Entities AJ, AK and AL who are independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules). Details of the account receivables to each new entities are set out as follows:

Client	Approximate amount of account receivable as at 13 December 2006 (HK\$)	% of the then latest published total assets of the Company	% of advance to the then latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AJ	60.0 million	10.6%	31.2%	39.7 million	Zhuzhou CSR Times Electric Co., Ltd. (205.3 times)
Entity AK	16.7 million				China Communications Construction Company Limited (219.97 times)
	4.0 million				Shanghai Jin Jiang International Hotels (Group) Company Limited (382 times)
	18.4 million				China Coal Energy Company Limited (182 times)
	8.4 million				Xingda International Holdings Limited (99.5 times)
	9.6 million				Zhuzhou CSR Times Electric Co., Ltd. (205.3 times)
	<hr/> 57.1 million	10.1%	29.7%	1.6 million	

Client	Approximate amount of account receivable as at 13 December 2006 (HK\$)	% of the then latest published total assets of the Company	% of advance to the then latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AL	10.5 million				China Communications Construction Company Limited (219.97 times)
	4.0 million				Shanghai Jin Jiang International Hotels (Group) Company Limited (382 times)
	12.9 million				China Coal Energy Company Limited (182 times)
	8.4 million				Xingda International Holdings Limited (99.5 times)
	9.6 million				Zhuzhou CSR Times Electric Co., Ltd. (205.3 times)
	45.4 million	8.0%	23.6%	0.4 million	

In respect of the above advances made to Entities AJ, AK and AL, the repayment terms were on demand. All advances including IPO financing were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage and were made at an interest rate of not more than 12.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entity AJ, AK and AL, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate. The financing periods to Entities AJ, AK and AL in relation to the IPO of China Communications Construction Company Limited was 8 days, and of Shanghai Jin Jiang International Hotels (Group) Company Limited, China Coal Energy Company Limited and Xingda International Holdings Limited was 7 days and of Zhuzhou CSR Times Electric Co., Ltd. was 6 days from the closing date of the relevant IPO.

Entity AJ is a privately owned investment company while Entities AK and AL are high net worth individuals.



Entity AJ has been a client of VC Brokerage for more than 10 years and has never defaulted in the repayment in any advance made by VC Brokerage. Entities AK and AL have been clients of VC Brokerage for more than 2 years and have never defaulted in the repayment in any advance made by VC Brokerage.

As the amount of the account receivables listed above exceeded 8% of the Company's then 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.

As of 13 December 2006, the account receivables due from Entity N, which is independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules), increased to HK\$152.3 million. The increase in the account receivables due from Entity N since the previously disclosed balances exceeded 3% of the Company's then latest published total assets. The changes in the details of the account receivables from Entity N are summarised as follows:

Client	Amount previously disclosed in this announcement (HK\$)	Amount as at 13 December 2006 (HK\$)	% of the then latest published total assets of the Company	% of advance to the then latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned/ margin financing and number of times of over-subscription
Entity N	93.8 million	41.8 million				China Communications Construction Company Limited (219.97 times)
		30.0 million				Shanghai Jin Jiang International Hotels (Group) Company Limited (382 times)
		29.5 million				China Coal Energy Company Limited (182 times)
		16.8 million				Xingda International Holdings Limited (99.5 times)
		28.9 million				Zhuzhou CSR Times Electric Co., Ltd. (205.3 times)
		5.3 million				Margin Financing
		152.3 million	27%	79.2%	21.8 million	

In respect of the advances made to Entity N, the repayment term were all on demand. They were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage. The advances were made at the interest rate of not more than 12.75%. The interest rate disclosed represents interest rate in respect of margin financing advances to Entity N, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate.

The financing period to Entity N in relation to the IPO of China Communications Construction Company Limited was 8 days, and of Shanghai Jin Jiang International Hotels (Group) Company Limited, China Coal Energy Company Limited and Xingda International Holdings Limited was 7 days and of Zhuzhou CSR Times Electric Co., Ltd. was 6 days from the closing date of the relevant IPO.

As stated above, Entity N is a privately owned company principally engaged in jewellery trading. It has been a client of VC Brokerage for more than 3 years and has never defaulted in repayment in respect of advances made by VC Brokerage.

Pursuant to Rule 17.16 of the GEM Listing Rules, as the relevant advance to Entity N increased from that previously disclosed and the amount of the increase is 3% or more under the then applicable Assets Ratio, the Company is under a general disclosure obligation to disclose certain particulars of the account receivable as prescribed under Rule 17.17 of the GEM Listing Rules.

#### 14 December 2006

On 14 December 2006, VC Brokerage advanced approximately HK\$396.8 million to Entity AM which is independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules). Details of the account receivable to Entity AM are set out as follows:

Client	Approximate amount of account receivable as at 14 December 2006 (HK\$)	% of the then latest published total assets of the Company	% of advance to the then latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AM	396.8 million	70.4%	206.4%	N/A	SCUD Group Limited (385 times)

In respect of the above advance made to Entity AM, the repayment term was on demand. The advance was secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage and was made at an interest rate of not more than 12.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entity AM, and the interest rate in respect of IPO advance was significantly lower than the aforementioned rate. The financing period to Entity AM in relation to the IPO of SCUD Group Limited was 6 days from the closing date of the IPO.

Entity AM comprises a portfolio of funds managed by an asset management company. It has been a client of VC Brokerage for more than 3 years and has never defaulted in the repayment in any advance made by VC Brokerage.

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

### 13 February 2007

On 13 February 2007, VC Brokerage advanced approximately HK\$63.3 million to Entity AN which is independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules). Details of the account receivable to Entity AN are set out as follows:

Client	Approximate amount of account receivable as at 13 February 2007 (HK\$)	% of the then latest published total assets of the Company	% of advance to the then latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AN	63.3 million	11.2%	32.9%	1.1 million	China Huiyuan Juice Group Limited (938 times)

In respect of the above advance made to Entity AN, the repayment term was on demand. All advances including IPO financing and margin financing were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage and were made at an interest rate of not more than 12.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entity AN, and the interest rate in respect of IPO advance was significantly lower than the aforementioned rate. The financing period to Entity AN in relation to the IPO of China Huiyuan Juice Group Limited was 9 days from the closing date of the relevant IPO.

Entity AN is a high net worth individual. Entity AN has been a client of VC Brokerage for less than 1 year and has never defaulted in the repayment in any advance made by VC Brokerage.

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

## 13 March 2007

On 13 March 2007, VC Brokerage advanced approximately HK\$112.7 million to Entities AO and AP who are independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules). Details of the account receivables to each new entity are set out as follows:

Client	Approximate amount of account receivable as at 13 March 2007 (HK\$)	% of the then latest published total assets of the Company	% of advance to the latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AO	31 million				Intime Department Store (Group) Company Limited (230.83 times)
	35.7 million				China Agri-Industries Holdings Limited (605.9 times)
	66.7 million	11.8%	34.7%	2.8 million	
Entity AP	10.3 million				Intime Department Store (Group) Company Limited (230.83 times)
	35.7 million				China Agri-Industries Holdings Limited (605.9 times)
	46 million	8.2%	23.9%	1.6 million	

In respect of the above advances made to Entities AO and AP, the repayment terms were all on demand. All advances including IPO financing were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage and were made at an interest rate of not more than 12.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entities AO and AP, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate. The financing periods to Entities AO and AP in relation to the IPO of Intime Department Store (Group) Company Limited and China Agri-Industries Holdings Limited was 7 days from the closing date of the relevant IPO.

Both Entities AO and AP are high net worth individuals.

Entity AO has been a client of VC Brokerage for more than 3 years and has never defaulted in the repayment in any advance made by VC Brokerage. Entity AP has been a client of VC Brokerage for more than 7 years and has never defaulted in the repayment in any advance made by VC Brokerage.

As the amount of the account receivables listed above exceeded 8% of the Company's then 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.

As of 13 March 2007, the account receivables due from Entity T, which is independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules), increased to HK\$69.3 million. The increase in the account receivables due from Entity T since the previously disclosed balance exceeded 3% of the Company's then latest published total assets. The changes in the details of the account receivables from Entity T are summarised as follows:

Client	Amount previously disclosed in this announcement (HK\$)	Amount as at 13 March 2007 (HK\$)	% of the then latest published total assets of the Company	% of advance to the then latest published net assets value of the Company as of 30 June 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned/ margin financing and number of times of over-subscription
Entity T		33.6 million				Intime Department Store (Group) Company Limited (230.83 times)
		35.7 million				China Agri-Industries Holdings Limited (605.9 times)
	45.1 million	69.3 million	12.3%	36%	0.4 million	

In respect of the advances made to Entity T, the repayment terms were on demand. They were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage. The advances were made at an interest rate of not more than 12.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entity T, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate.

The financing periods to Entity T in relation to the IPO of Intime Department Store (Group) Company Limited and China Agri-Industries Holdings Limited was 7 days from the closing date of the relevant IPO.

Entity T is a high net worth individual. He has been a client of VC Brokerage for more than 3 years and has never defaulted in repayment in respect of advances made by VC Brokerage.

Pursuant to Rule 17.16 of the GEM Listing Rules, as the relevant advance to Entity T increased from that previously disclosed and the amount of the increase is 3% or more under the then applicable Assets Ratio, 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.

## 27 March 2007

On 27 March 2007, VC Brokerage advanced approximately HK\$160.5 million to Entities AQ and AR who are independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules). Details of the account receivable(s) to each new entity are set out as follows:

Client	Approximate amount of account receivable as at 27 March 2007 (HK\$)	% of the then latest published total assets of the Company	% of advance to the latest published net assets value of the Company as of 31 December 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AQ	85.7 million	12.3%	44.3%	19.8 million	CITIC 1616 Holdings Limited (962.5 times)
Entity AR	19.6 million				Ajisen (China) Holdings Limited (192 times)
	55 million				CITIC 1616 Holdings Limited (962.5 times)
	0.2 million				Margin Financing
	<u>74.8 million</u>	10.8%	38.6%	0.7 million	

In respect of the above advances made to Entities AQ and AR, the repayment terms were all on demand. All advances including IPO financing were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage and were made at an interest rate of not more than 10.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entities AQ and AR, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate. The financing periods to Entities AQ and AR in relation to the IPO of CITIC 1616 Holdings Limited was 6 days from the closing date of the relevant IPO and the financing period to Entity AR in relation to the IPO of Ajisen (China) Holdings Limited was 7 days from the closing date of the relevant IPO.

Entity AQ is a high net worth individual. Entity AR is a privately owned investment company.

Entity AQ has been a client of VC Brokerage for more than 1 year and has never defaulted in the repayment in any advance made by VC Brokerage. Entity AR has been a client of VC Brokerage for more than 3 years and has never defaulted in the repayment in any advance made by VC Brokerage.

As the amount 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.

### 11 April 2007

As of 11 April 2007, the account receivables due from Entities AK and AN, which are both independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules), increased to HK\$103.2 million. The increase in the account receivables due from Entities AK and AN since the previously disclosed balances exceeded 3% of the Company's latest published total assets. The changes in the details of the account receivables from Entities AK and AN are summarised as follows:

Client	Amount previously disclosed in this announcement (HK\$)	Amount as at 11 April 2007 (HK\$)	% of the then latest published total assets of the Company	% of advance to the latest published net assets value of the Company as of 31 December 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned/ margin financing and number of times of over-subscription
Entity AK	57.1 million	103.2 million	14.8%	53.3%	1.4 million	Country Garden Holdings Company Limited (255.7 times)
Entity AN	63.3 million	103.2 million	14.9%	53.3%	N/A	Country Garden Holdings Company Limited (255.7 times)

In respect of the advances made to Entities AK and AN, the repayment terms were on demand. All advances including IPO financing were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage. The advances were made at an interest rate of not more than 12.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entities AK and AN, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate.

The financing period to Entities AK and AN in relation to the IPO of Country Garden Holdings Company Limited was 8 days from the closing date of the IPO.

As stated above, Entities AK and AN are both high net worth individuals. Entity AK has been a client of VC Brokerage for more than 3 years and has never defaulted in repayment in respect of advances made by VC Brokerage. Entity AN has been a client of VC Brokerage for less than 1 year and has never defaulted in repayment in respect of advances made by VC Brokerage.

Pursuant to Rule 17.16 of the GEM Listing Rules, as the relevant advances to Entities AK and AN increased from that previously disclosed and the amount of the increase is 3% or more under the Assets Ratio, 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.

### 18 April 2007

On 18 April 2007, VC Brokerage advanced approximately HK\$64.9 million to Entity AS which is independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules). Details of the account receivables to Entity AS are set out as follows:

Client	Approximate amount of account receivable as at 18 April 2007 (HK\$)	% of the then latest published total assets of the Company	% of advance to the latest published net assets value of the Company as of 31 December 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned and number of times of over-subscription
Entity AS	46.5 million				Country Garden Holdings Company Limited (255.7 times)
	18.4 million				China Molybdenum Co., Ltd. (399.21 times)
	<hr/> 64.9 million	9.3%	33.5%	2.3 million	

In respect of the above advances made to Entity AS, the repayment terms were on demand. The advances were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage and were made at an interest rate of not more than 12.75%. The interest rate disclosed represents the interest rate in respect of margin financing advances (if any) to Entity AS, and the interest rates in respect of IPO advances were significantly lower than the aforementioned rate. The financing periods to Entity AS in relation to the IPO of Country Garden Holdings Company Limited was 8 days and of China Molybdenum Co., Ltd. was 7 days from the closing date of the relevant IPO.

Entity AS is a high net worth individual. Entity AS has been a client of VC Brokerage for less than 1 year and has never defaulted in the repayment in any advance made by VC Brokerage.



As the amount 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.

## 19 April 2007

As of 19 April 2007, the account receivables due from Entities AK and AR, which are independent of and not connected with the Company, its directors, chief executive and substantial shareholders and any of their respective associates (as defined in the GEM Listing Rules), increased to HK\$131.0 million and HK\$101.9 million respectively. The increase in the account receivables due from Entities AK and AR since the previously disclosed balances exceeded 3% of the Company's latest published total assets. The changes in the details of the account receivables from Entities AK and AR are summarised as follows:

Client	Amount previously disclosed in this announcement (HK\$)	Amount as at 11 April 2007 (HK\$)	% of the then latest published total assets of the Company	% of advance to the latest published net assets value of the Company as of 31 December 2006	Collateral market value (excl. IPO stock) as at date of advance (HK\$)	IPO stock concerned/margin financing and number of times of over-subscription
Entity AK	103.2 million	18.5 million				China Molybdenum Company Limited (399.21 times)
		112.5 million				China CITIC Bank Corporation Limited (229.93 times)
		131.0 million	18.8%	67.7%	1.9 million	
Entity AR	74.8 million	101.9 million	14.7%	52.7%	2.0 million	China CITIC Bank Corporation Limited (229.93 times)

In respect of the advances made to Entities AK and AR, the repayment terms were on demand. All advances including IPO financing were secured by the relevant securities to be listed under the relevant IPO, when allotted, and/or listed securities in the custody of VC Brokerage. The advances were made at the interest rates of not more than 12.75%. The interest rate disclosed represents interest rate in respect of margin financing advances (if any) to Entities AK and AR, and the interest rates in respect of IPO financing advances to Entities AK and AR were significantly lower than the aforementioned rate.

The financing period to Entities AK and AR in relation to the IPO of China CITIC Bank Corporation Limited was 7 days and to Entity AK of China Molybdenum Company Limited was also 7 days from the closing date of the relevant IPO.

As stated above, Entity AK is a high net worth individual and Entity AR is a privately owned investment company. Both Entities AK and AR have been a client of VC Brokerage for more than 3 years and have never defaulted in repayment in respect of advances made by VC Brokerage.

Pursuant to Rule 17.16 of the GEM Listing Rules, as the relevant advance(s) to Entities AK and AR increased from that previously disclosed and the amount of the increase is 3% or more under the Assets Ratio, 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.

In respect of all the aforementioned advances, the Company has applied for and the Stock Exchange has granted waivers from strict compliance of Rules 17.17(3) and (4) on the disclosure of the identities of the Entities and the actual interest rates in relation to the advances made to them.

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

Hong Kong, 7th May 2007

*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 (Chief Executive Officer); three Non-executive Directors, namely, Dr. Ho Hung Sun, Stanley (Chairman), Dr. Lee Jun Sing and Attorney Patajo-Kapunan, Lorna; and three Independent Non-executive Directors, namely, Mr. Sham Sui Leung, Daniel, Dr. Tyen Kanhee, Anthony and Mrs. Chu Ho Miu Hing.*

*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 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 Announcement” 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).*