

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

This circular is for information purposes only and does not constitute an invitation or offer to acquire or subscribe for securities.

**If you are in any doubt** as to any aspect about this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Value Convergence Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, the licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



## **Value Convergence Holdings Limited**

*(Incorporated in Hong Kong with limited liability)*

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

(Stock Code: 8101)

### **GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

---

A notice convening the annual general meeting of Value Convergence Holdings Limited (the "Company") to be held at 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong on Tuesday, 29 April 2008 at 11:00 a.m. is set out on pages 11 to 15 of this circular. Whether or not you are able to attend such meeting, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the registered office of the Company at 28th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjournment thereof (as the case may be) should you so wish.

*This circular will remain on the "Latest Company Announcement" page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days of the date of its publication and on the website of the Company at [www.valueconvergence.com](http://www.valueconvergence.com).*

27 March 2008

---

## CHARACTERISTICS OF GEM

---

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. GEM-listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

---

## CONTENTS

---

	<i>Page</i>
<b>Definitions</b> .....	1
 <b>Letter from the Board</b>	
1. Introduction .....	2
2. General Mandate to Repurchase Shares .....	2
3. General Mandate to Issue Securities .....	3
4. Re-election of Retiring Directors .....	4
5. Annual General Meeting .....	4
6. Procedures for Demanding a Poll by Shareholders .....	5
7. Recommendation .....	5
8. Responsibility Statement .....	5
 <b>Appendix I – Explanatory Statement</b> .....	 6
 <b>Appendix II – Details of Retiring Directors Proposed to be Re-elected</b> .....	 9
 <b>Appendix III – Notice of Annual General Meeting</b> .....	 11

---

## DEFINITIONS

---

*In this circular, unless the context requires otherwise, the following expressions have the following meanings.*

“AGM”	the annual general meeting of the Company to be held on 29 April 2008 at 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong
“Board”	the board of Directors of the Company
“Companies Ordinance”	the Companies Ordinance (Chapter 32) of the Laws of Hong Kong
“Company”	Value Convergence Holdings Limited, a company incorporated in Hong Kong with limited liability under the Companies Ordinance, whose shares are listed on the Stock Exchange
“Directors”	the directors of the Company
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	means 20 March 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

---

## LETTER FROM THE BOARD

---



### Value Convergence Holdings Limited

(Incorporated in Hong Kong with limited liability)

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

(Stock Code: 8101)

*Executive Directors:*

Mr. Ho, Lawrence Yau Lung (*President & Vice Chairman*)

Mr. Patrick Sun (*Chief Executive Officer*)

*Non-Executive Directors:*

Dr. Ho Hung Sun, Stanley (*Chairman*)

Dr. Lee Jun Sing

*Independent Non-executive Directors*

Dr. Tyen Kanhee, Anthony

Mr. Sham Sui Leung, Daniel

Mrs. Chu Ho Miu Hing

*Registered office:*

28th Floor, The Centrium

60 Wyndham Street

Central

Hong Kong

27 March 2008

*To the Shareholders*

Dear Sir or Madam,

### **GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

#### **1. INTRODUCTION**

The purpose of this circular is to provide you with information regarding certain ordinary resolutions to be proposed at the AGM to enable you to make an informed decision on whether to vote for or against those resolutions.

#### **2. GENERAL MANDATE TO REPURCHASE SHARES**

At the annual general meeting of the Company held on 19 April 2007 (“2007 AGM”), a general mandate was given to the Directors to exercise the powers of the Company to repurchase up to 25,386,017 Shares. Such mandate will lapse at the conclusion of the AGM. An ordinary resolution will therefore be proposed at the AGM to give a general mandate to the Directors to exercise the powers of the Company to repurchase on the Stock Exchange the Shares up to a maximum of 10% of the Company’s issued share capital outstanding as at the date of passing of the resolution (the “Repurchase Mandate”). In addition, if the resolutions to authorise the Repurchase Mandate and the Issue Mandate (as defined below)

---

## LETTER FROM THE BOARD

---

are passed, a resolution will be proposed to extend the authority of the Directors under the Issue Mandate by an amount equal to the aggregate nominal amount of any Shares repurchased by the Company under the authority so granted.

As at the Latest Practicable Date, the issued share capital of the Company comprised 370,637,451 Shares.

Subject to the passing of the ordinary resolution relating to the Repurchase Mandate at the AGM and on the basis that no further Shares or other securities are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 37,063,745 Shares.

An explanatory statement as required under the GEM Listing Rules to provide the requisite information regarding the Repurchase Mandate is set out in Appendix I of this circular.

During each of the six months preceding the date of this circular, the Company has not repurchased any Shares on the Stock Exchange.

### **3. GENERAL MANDATE TO ISSUE SECURITIES**

At the 2007 AGM, a general mandate was granted to the Directors to exercise the powers of the Company to issue, allot and deal with up to 50,772,035 new Shares, being 20% of the aggregate nominal amount of share capital of the Company in issue as at the date of the 2007 AGM and such general mandate was substantially utilised in a placing and top-up subscription exercise of the Company as referred to in the announcement of the Company dated 10 July 2007. In this connection, the general mandate was refreshed at the extraordinary general meeting of the Company held on 17 August 2007 (the “Refreshed General Mandate”). Under the Refreshed General Mandate, the Company would be allowed to further issue, allot and deal with up to 61,671,490 new Shares, representing 20% of the aggregate nominal amount of share capital of the Company in issue as at the date of the said extraordinary general meeting.

As the Refreshed General Mandate was substantially utilised in a placing and top-up subscription exercise of the Company as referred to in the announcement of the Company dated 6 September 2007, the Refreshed General Mandate was further refreshed at the extraordinary general meeting of the Company held on 4 December 2007 (the “Existing General Mandate”). Under the Existing General Mandate, the Company would be allowed to further issue, allot and deal with up to 73,871,490 new Shares, representing 20% of the aggregate nominal amount of share capital of the Company in issue as at the date of the said extraordinary general meeting. During the period between the date on which the Existing General Mandate was granted to the Latest Practicable Date, no Shares are issued under the Existing General Mandate.

The Existing General Mandate will lapse at the conclusion of the AGM. Therefore, an ordinary resolution will be proposed at the AGM that the Directors be given a general mandate to issue securities up to 20% of the aggregate nominal amount of the share capital of the Company in issue on the date the resolution is passed (the “Issue Mandate”), i.e. 74,127,490 Shares (based on the number of issued shares of the Company as at the Latest Practicable Date, being 370,637,451 Shares) in order to ensure flexibility and discretion to the Directors to issue securities. In addition, a resolution will be proposed to extend the

---

## LETTER FROM THE BOARD

---

Issue Mandate by adding to it the nominal amount of the share capital of the Company repurchased by the Company subsequent to the passing of such resolution.

The Issue Mandate and the Repurchase Mandate will continue in force during the period from the passing of the ordinary resolutions nos. 4 to 6 in the notice of AGM until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under such ordinary resolutions by an ordinary resolution or ordinary resolutions of the shareholders of the Company in general meeting.

#### **4. RE-ELECTION OF RETIRING DIRECTORS**

The Board currently consists of seven Directors including two Executive Directors, namely, Mr. Ho, Lawrence Yau Lung and Mr. Patrick Sun; two Non-executive Directors, namely, Dr. Ho Hung Sun, Stanley and Dr. Lee Jun Sing and three Independent Non-executive Directors, namely, Mr. Sham Sui Leung, Daniel, Dr. Tyen Kanhee, Anthony and Mrs. Chu Ho Miu Hing.

Pursuant to the article 101 of the articles of association of the Company, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office. The Directors to retire every year shall be those who have been longest in office since their last election. In accordance with this provision, Mr. Ho, Lawrence Yau Lung, Dr. Ho Hung Sun, Stanley and Dr. Lee Jun Sing shall retire at the AGM. Due to other business engagements which require more of his attention, Dr. Ho Hung Sun, Stanley does not seek for re-election. Mr. Ho, Lawrence Yau Lung and Dr. Lee Jun Sing, being eligible, offer themselves for re-election at the AGM.

Brief biographical details of the retiring Directors proposed for re-election at the AGM are set out in Appendix II of this circular.

#### **5. ANNUAL GENERAL MEETING**

The notice convening the AGM is set out in Appendix III on pages 11 to 15 of this circular. Resolutions 4 to 6 relate to the Issue Mandate and the Repurchase Mandate and will be proposed as ordinary resolutions at the AGM for your consideration and approval.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete the form of proxy and return it in accordance with the instructions printed thereon to the registered office of the Company at 28th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong, as soon as possible and in any event not less than 48 hours before the time fixed for the AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish.

---

## LETTER FROM THE BOARD

---

### 6. PROCEDURES FOR DEMANDING A POLL BY SHAREHOLDERS

Article 73 of the Company's articles of association sets out the procedures by which the Shareholders may demand a poll:

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (a) by the Chairman; or
- (b) by at least three members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by any member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (d) by any member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

### 7. RECOMMENDATION

The Board believes that the re-election of retiring Directors, granting of Issue Mandate and Repurchase Mandate and the extension of the Issue Mandate as set out in the notice of the AGM are all in the best interests of the Company and its Shareholders. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions as set out in the notice of the AGM.

### 8. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other facts the omission of which would make any statement herein misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

By order of the board of  
**Value Convergence Holdings Limited**  
**Ho, Lawrence Yau Lung**  
*President & Vice Chairman*



This explanatory statement, as required by the GEM Listing Rules, provides you with requisite information for your consideration of the Repurchase Mandate.

### **1. SHARE CAPITAL AND EXERCISE OF THE REPURCHASE MANDATE**

As at the Latest Practicable Date, the issued share capital of the Company comprised 370,637,451 Shares.

Subject to the passing of the ordinary resolution relating to the Repurchase Mandate at the AGM and on the basis that no further Shares or other securities are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 37,063,745 Shares (representing 10 per cent. of the Company's issued share capital as at the date of passing of the relevant resolution) during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the shareholders of the Company in general meeting.

### **2. REASONS FOR REPURCHASES**

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its members. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share of the Company and/or its earnings per Share.

### **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum and articles of association of the Company and the Companies Ordinance. The Company may not purchase securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the Annual Report) in the event that the proposed repurchases of Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 4. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date:

Month	Highest trade price <i>HK\$</i>	Lowest trade price <i>HK\$</i>
<b>2007</b>		
March	1.44	1.20
April	2.40	1.22
May	2.13	1.74
June	2.13	1.68
July	7.38	1.90
August	5.90	3.10
September	5.28	3.95
October	5.15	2.55
November	2.90	1.90
December	2.41	1.75
<b>2008</b>		
January	2.40	1.38
February	1.78	1.40
March (up to the Latest Practicable Date)	1.60	1.00

#### 5. REPURCHASES IN THE PAST SIX MONTHS

During each of the six months preceding the date of this circular, the Company has not repurchased any of its Shares.

#### 6. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their associates has any present intention, in the event that the proposed general mandate is approved by Shareholders, to sell Shares to the Company.

No connected person of the Company (as defined in the GEM Listing Rules) has notified the Company that he/she/it has any present intention to sell Shares to the Company nor has undertaken not to do so in the event that the Company is authorized to make repurchases of its own shares.

#### 7. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed Repurchase Mandate in accordance with the GEM Listing Rules, the Companies Ordinance and the regulations set out in the memorandum and articles of association of the Company.

**8. EFFECT OF TAKEOVERS CODE**

If as a result of a repurchase of Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder, or a group of shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Melco Financial Group Limited, a wholly owned subsidiary of Melco International Development Limited ("Melco") and one of the substantial shareholders (as defined in Rule 1.01 of the GEM Listing Rules) of the Company, is interested in 160,930,381 Shares, representing approximately 43.42% of the issued share capital of the Company. For the purpose of the Securities and Futures Ordinance, Mr. Ho, Lawrence Yau Lung ("Mr. Lawrence. Ho") is taken to have an interest in (1) the same block of 160,930,381 Shares as a result of him being beneficially interested in 33.48% of the issued share capital of Melco and (2) 4,232,627 Shares as a result of him being beneficially interested in the entire issued share capital of Golden Mate Co., Ltd. which in turn holds approximately 1.14% of the issued share capital of the Company. As such, Mr. Lawrence Ho is considered as holding an aggregate of 44.56% of the issued share capital of the Company.

In the event that the Directors exercise in full the Repurchase Mandate, the shareholdings of Melco Financial Group Limited and Mr. Lawrence Ho would be increased to approximately 48.24% and 49.51% respectively of the issued share capital of the Company. In the opinion of the Directors, such increase will give rise to a mandatory offer in accordance with Rule 26 of the Takeovers Code. However, the Directors have no current intention to exercise the Repurchase Mandate to an extent as would result in takeover obligations.

---

## APPENDIX II      DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

---

The following are particulars of the Directors proposed to be re-elected at the AGM.

**(1) Mr. Ho, Lawrence Yau Lung, aged 31, President and Vice Chairman, Executive Director**

Mr. Ho, Lawrence Yau Lung, aged 31, joined the Group in October 2000 and was appointed the President and Vice Chairman of the Group with effect from August 2002. He is the Chairman of the Executive Committee, Finance Committee and Regulatory Compliance Committee and a member of the Nomination Committee of the Company. Mr. Ho is currently an Executive Director (Chairman and Chief Executive Officer) of Melco International Development Limited (“Melco”), the controlling shareholder of the Company and a public listed company in Hong Kong. He is also an Executive Director (Co-Chairman and Chief Executive Officer) of Melco PBL Entertainment (Macau) Limited, a company listed on the Nasdaq Global Market. He also holds directorships in certain subsidiaries of the Company and certain companies controlled by Melco. Save as disclosed above, Mr. Ho does not hold any directorships in other listed public companies during the past three years and does not hold any other position with the Company or other members of the Group.

Mr. Ho is a graduate of the University of Toronto, Canada and holds a Bachelor of Arts degree, majoring in commerce. Mr. Ho is active in community services and serves on numerous boards and committees in Hong Kong, Macau & mainland China. He sits on the Board of Directors of The Community Chest and is the Chairman of The Chamber of Hong Kong Listed Companies. He is also a Member of The Chinese People’s Political Consultative Conference, Shanghai Committee; Member of Science and Technology Council of Macau Special Administrative Region; Member of All China Youth Federation, Member of Macau Basic Law Promotional Association; Chairman of Macau International Volunteers Association; Member of Campaign Committee of The Community Chest; Board of Governors of The Canadian Chamber of Commerce in Hong Kong; Honorary Lifetime Director of the Chinese General Chamber of Commerce, Hong Kong; President of Macau Canadian Chamber of Commerce; Member of Association of Property Agents and Real Estate Developers of Macau and Lifetime Member of Macao Chinese General Chamber of Commerce.

Mr. Ho is the son of Dr. Ho Hung Sun, Stanley, the Chairman of the Company. As of the Latest Practicable Date, Mr. Ho has corporate interests of 165,163,008 shares of the Company and personal interests of share options granted by the Company to subscribe for 491,057 shares of the Company at an exercise price of HK\$1.00 each within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”). In addition, he has personal interests of 7,232,612 shares, corporate interests of 404,041,630 shares and 117,912,694 underlying shares of Melco within the meaning of Part XV of the SFO.

Mr. Ho has a service contract with VC Services Limited, a wholly-owned subsidiary of the Company, commencing on 1st January, 2005 which may be terminated by either party by written notice of not less than three months. Mr. Ho’s annual remuneration is HK\$600,000 plus discretionary bonus which is determined with reference to his duties and responsibilities with the Company.

Save as disclosed above, Mr. Ho has no other relationships with any directors, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company and there is no other matter which needs to be disclosed pursuant to Rule 17.50(2)(h) to Rule 17.50(2)(w) of the GEM Listing Rules in respect of Mr. Ho’s re-election.

---

## **APPENDIX II      DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED**

---

### **(2)    Dr. Lee Jun Sing, aged 61, Non-executive Director**

Dr. Lee Jun Sing, aged 61, joined the Group in January 2000 and is one of the founders of the Company. Dr. Lee graduated with a Doctor of Philosophy in Physical Chemistry from Indiana University, the United States, and did his postdoctoral research at John Hopkins University, the United States. Dr. Lee is also a director of numerous companies including Guangzhou Luhua Golf & Country Club, iSinolaw Limited, Bio-Cancer Treatment International Limited and Managing Director of Vast Honour Development Limited.

Dr. Lee does not hold any directorship in other listed companies in the past three years. Save for being the non-executive director of the Company, he does not hold any position in the Company or any subsidiaries of the Company.

There is no services contract entered into between the Company and Dr. Lee. He is not appointed for a specific term and is subject to rotation, retirement and re-election at annual general meeting pursuant to the articles of association of the Company. Dr. Lee does not receive any emoluments or benefits for his directorship of the Company.

As at the Latest Practicable Date, Dr. Lee has corporate interests of 6,299,702 shares of the Company and personal interests of share options granted by the Company to subscribe for 491,057 shares of the Company at an exercise price of HK\$1.00 each within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Dr. Lee has no other relationships with any directors, senior management, management shareholder, substantial shareholder or controlling shareholder of the Company and there is no other matter which needs to be disclosed pursuant to Rule 17.50(2)(h) to Rule 17.50(2)(w) of the GEM Listing Rules in respect of Dr. Lee's re-election.



## **Value Convergence Holdings Limited**

*(Incorporated in Hong Kong with limited liability)*

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

(Stock Code: 8101)

### **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Value Convergence Holdings Limited (“Value Convergence”) will be held at the 38/F., The Centrium, 60 Wyndham Street, Central, Hong Kong on Tuesday, 29 April 2008 at 11:00 a.m. for the following purposes:

1. To consider and receive the audited consolidated accounts of Value Convergence and its subsidiaries and the reports of the directors and of the auditors for the year ended 31 December 2007.
2. To re-elect directors and to authorise the board of directors or any of its authorised committees to fix the remuneration of the directors.
3. To re-appoint auditors and to authorise the board of directors or any of its authorised committees to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an Ordinary Resolution:

#### **ORDINARY RESOLUTION**

**“THAT:**

- (a) subject to paragraph (c) of this Resolution, the directors of Value Convergence (“Directors”) be and are hereby granted an unconditional general mandate to allot, issue and deal with additional shares in the capital of Value Convergence (“Shares”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares or such convertible securities and to make or grant offers, agreements and options which might require the exercise of such power;
- (b) the approval in paragraph (a) of this Resolution shall be in addition to any other authorizations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to paragraph (a) of this Resolution, otherwise than pursuant to:
- (i) a Rights Issue (as hereinafter defined);
  - (ii) the exercise of rights of subscription or conversion under the terms of any warrants or any securities which may be issued by Value Convergence from time to time and which are convertible into Shares;
  - (iii) the exercise of the subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of Value Convergence and/or any of its subsidiaries or such other persons eligible to participate in any such scheme(s) or arrangement(s) of Shares or rights to acquire Shares; or
  - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of Value Convergence or a specific authority granted by the shareholders of Value Convergence in general meeting,

shall not exceed 20% of the aggregate nominal amount of the share capital of Value Convergence in issue as at the date of passing of this Resolution;

- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of Value Convergence; or
- (ii) the expiration of the period within which the next annual general meeting of Value Convergence is required by any applicable law or the articles of association of Value Convergence to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of Value Convergence in general meeting; and

“Rights Issue” means an offer of shares in Value Convergence, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in Value Convergence on the register on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to Value Convergence, or any recognized regulatory body or any stock exchange applicable to Value Convergence).”

5. As special business to consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolution:

**ORDINARY RESOLUTION**

**“THAT:**

- (a) subject to paragraph (b) of this Resolution, the Directors be and are hereby granted an unconditional general mandate to repurchase on The Stock Exchange of Hong Kong Limited (“Stock Exchange”), or any other stock exchange on which the securities of Value Convergence may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, securities in Value Convergence and that the exercise by the Directors of all powers of Value Convergence to repurchase such securities, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange or rules of any other stock exchange as may be amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of Value Convergence (“Shares”) or securities of Value Convergence which may be repurchased by Value Convergence pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period (as hereinafter defined) shall not exceed 10% of the aggregate nominal amount of the share capital of Value Convergence in issue as at the date of passing of this Resolution;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this Resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and hereby revoked; and



(d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of Value Convergence; or
- (ii) the expiration of the period within which the next annual general meeting of Value Convergence is required by any applicable law or the articles of association of Value Convergence to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of Value Convergence in general meeting.”

6. As special business to consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolution:

**ORDINARY RESOLUTION**

“**THAT** conditional upon the passing of Resolutions numbered 4 and 5 set out in the notice convening this meeting, the aggregate nominal amount of share capital of Value Convergence that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the general mandate granted under Ordinary Resolution numbered 4 set out in the notice convening this meeting be and is hereby extended by the addition thereto of the aggregate nominal amount of the shares in the capital of Value Convergence which may be repurchased by Value Convergence pursuant to and in accordance with the general mandate granted under Ordinary Resolution numbered 5 set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of Value Convergence in issue as at the date of passing of this Resolution.”

By Order of the Board of  
**Value Convergence Holdings Limited**  
**Tsang Yuen Wai, Samuel**  
*Company Secretary*

Hong Kong, 27 March 2008

*Registered office:*  
28th Floor, The Centrium  
60 Wyndham Street  
Central, Hong Kong

*Notes:*

1. A member of Value Convergence entitled to attend and vote at the meeting by the above notice is entitled to appoint one or more proxies to attend and vote in stead of such member. A proxy need not be a member of Value Convergence.
2. A form of proxy in respect of the meeting is enclosed. Whether or not you intend to attend the meeting in person, you are urged to complete and return the form of proxy in accordance with the instructions printed thereon.
3. In order to be valid, the form of proxy together with a power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority must be deposited with the registered office of Value Convergence at 28th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. Where there are joint holders of a share of Value Convergence, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he were solely entitled thereto, but if more than one of such holders be present at the meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of Value Convergence in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for this purpose be deemed joint holders thereof.
5. As at the date of this notice, the Board comprises two executive directors, namely, Mr. Ho, Lawrence Yau Lung (President and Vice Chairman) and Mr. Patrick Sun (Chief Executive Officer); two non-executive directors, namely, Dr. Ho Hung Sun, Stanley (Chairman) and Dr. Lee Jun Sing; and three independent non-executive directors, namely, Mr. Sham Sui Leung, Daniel, Dr. Tyen Kanhee, Anthony and Mrs. Chu Ho Miu Hing.