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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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN (the “Notice”) that an extraordinary general meeting (the “Meeting”) of Value Convergence Holdings Limited (the “Company”) will be held at 38/F, The Centrium, 60 Wyndham Street, Central, Hong Kong, on Thursday, 20 May 2004 at 10:30 a.m. for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions as an ordinary resolution and a special resolution, respectively of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the conditional agreement dated 19th March, 2004 made between Melco International Development Limited (“Melco”) and Value Convergence Holdings Limited (“Company”) pursuant to which the Company has conditionally agreed to sell, and Melco has conditionally agreed to purchase, the entire issued share capital of iAsia Technology Ltd. for a cash consideration of HK\$27.9 million (“iAsia Group Disposal Agreement”), a copy of which has been produced to this meeting marked “A” and initialed by the chairman of this meeting for the purpose of identification, be and is hereby confirmed, approved and ratified; and
- (b) the directors of the Company (or any of them) be and are hereby authorized to execute or to authorize the execution of such documents on behalf of the Company as they may consider necessary or desirable or expedient for the purpose of, or in connection with, the implementation of the iAsia Group Disposal Agreement or any matter related thereto and to make and agree such variations to the iAsia Group Disposal Agreement as the directors of the Company in their discretion consider to be desirable and in the interests of the Company and any such documents, acts and things be and are hereby confirmed, approved and ratified.”

SPECIAL RESOLUTION

“THAT:

the New Articles of Association of the Company as at the date hereof be amended as follows:

- (a) by deleting the definition of “associate” in Article 2 and inserting the following in its place:

““associate” shall have the meaning attributed to it in the GEM Listing Rules;”;

- (b) by inserting the following new definitions in appropriate alphabetical order in Article 2, and in general re-ordering in an alphabetical manner the definitions in Article 2:

““business day” shall mean any day on which the Stock Exchange is open for the business of dealing in securities”;

““GEM Listing Rules” shall mean the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (as the same are amended from time to time);”

““subsidiaries” shall have the meaning attributed to it in the Companies Ordinance (Chapter 32 of the Laws of Hong Kong);”;

- (c) by deleting the words “Section 2 of the clearing house the Securities and Futures (Clearing Houses) Ordinance of Hong Kong” in the definition of “clearing house” in Article 2 and substituting therefor the following:

“the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)”;

- (d) by deleting the words “or corporation” in the definition of “Secretary” in Article 2;

- (e) by deleting the words “two months” in Article 41 and substituting therefor the words “ten business days”;

- (f) by deleting the words “or by which” on the seventh line in Article 78 and inserting the words “shall have one vote for every fully paid share of which” in their place;

(g) by inserting the following new Article 89A immediately after the existing Article 89:

“89A. Where any member of the Company is, under the GEM Listing Rules, required to abstain from voting on any particular resolution, or restricted to voting only for or only against any particular resolution, at any general meeting of the Company, any votes cast by such member (or, in the case of a member being a corporation, by its duly authorized representative) or his proxy or attorney in contravention of such requirement or restriction shall not be counted for the purpose of determining whether such resolution is passed as a resolution with the requisite majority or votes.”;

(h) by deleting the existing paragraphs (g) and (h) of Article 100 and substituting therefor the following new paragraphs (g) and (h):

“(g) Whenever a Director or any of his associates who, to the knowledge of such Director, is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company, such Director shall declare the nature of his interest or the interest of his associate(s) at the meeting of the Board at which the question of entering into the contract or arrangement is first considered, if he knows his interest or the interest of his associate(s) then exists, or in any other case at the first meeting of the Board after he knows that he or his associate(s) is or has become so interested. For this purpose, a general notice to the Board by a Director to the effect that:

- (i) he or any of his associates is a member of a specified company or firm and is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with that company or firm; or
- (ii) he or any of his associates is to be regarded as interested in any contract or arrangement which may after the date of the notice be made with a specified person who is connected with such Director or associate,

shall be deemed to be a sufficient declaration of interest in relation to any such contract or arrangement; provided that no such notice shall be effective unless either it is given at a meeting of the Board or the Director takes reasonable steps to secure that it is brought up and read at the next Board meeting after it is given.

- (h) A Director shall not vote (nor shall he be counted in the quorum present at the relevant meeting of the Directors) on any resolution of the Directors in respect of any contract or arrangement or any other proposal in which he or any of his associate(s) has/have a material interest, but this prohibition shall not apply to, and a Director shall (in the absence of some material interest other than is indicated below) be entitled to vote (and be counted in the quorum present) in respect of any resolution concerning, any of the following matters:
- (i) the giving to such Director or any of his associates of any security or indemnity in respect of money lent or obligations incurred or undertaken by him and/or any of his associate(s) at the request of or for the benefit of the Company or any of its subsidiaries;
 - (ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
 - (iii) any contract, arrangement or proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant(s) in the underwriting or sub-underwriting of the offer;
 - (iv) any contract, arrangement or proposal in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;
 - (v) any contract, arrangement or proposal concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or shareholder or in which the Director or his associate(s) is/are beneficially interested in shares of that company, provided that the Director and any of his associates are not in aggregate beneficially interested in 5% or more of the issued shares of any class of such company (or of any third company through which his interest or that of any of his associates is derived) or of the voting rights;
 - (vi) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (1) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme involving the issue or grant of options over shares or other securities of the Company under which the Director or his associate(s) may benefit; or

(2) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates both to Directors, his associates(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates.”;

(i) by deleting the second sentence in paragraph (i) of Article 100 and substituting therefor the following:

“For the purpose of this paragraph, there shall be disregarded any shares held by a Director or his associate(s) as bare trustee or custodian and in which he or any of them has no beneficial interest (discretionary or otherwise), any shares comprised in a trust in which the Director’s interest and/or the interest of his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder(s) and any shares which carry no voting rights at general meetings and very restrictive dividend and return of capital rights”;

(j) by deleting paragraph (k) of Article 100 and substituting therefor the following:

“(k) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or that of his associate(s) or as to the entitlement of any Director (other than such chairman) to vote or be counted in the quorum and such question is not resolved by his voluntarily agreeing to abstain from voting or not be counted in the quorum, such question shall be referred to the chairman of the meeting and his ruling in relation to such Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not be counted in the quorum and shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.”;

(k) by deleting paragraph (l) of Article 100;

(l) by re-numbering paragraph (m) of the existing Article 100 as paragraph (l) of Article 100;

- (m) by deleting the words “at least seven days before the date of the general meeting” in Article 105 and substituting therefor the following:

“provided that, in each case, the minimum period for lodgment of any such notice will be at least seven days and that any such notice must be lodged no earlier than the day after the despatch of the notice of the general meeting appointed for such election and no later than seven days prior to the date of such general meeting”;

- (n) by deleting the words “special resolution” in Article 107 and by substituting therefor the words “ordinary resolution”;
- (o) by deleting the words “(including any such liability as is mentioned in paragraph (c) of the proviso to Section 165 of the Ordinance)” in Article 178(a);
- (p) by deleting Article 178(b) and by substituting therefor the following new Articles 178(b), (c) and (d):–

“(b) The Company may indemnify any Director or other officer of the Company, against any liability incurred by him:–

- (i) in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted; or
- (ii) in connection with any application under Section 358 of the Companies Ordinance in which relief is granted to him by the court.

(c) The Company may purchase and maintain for any Director or officer of the Company:–

- (i) insurance against any liability to the Company, a related company or any other party in respect of any negligence, default, breach of duty or breach of trust (save for fraud) of which he may be guilty in relation to the Company or a related company; and
- (ii) insurance against any liability incurred by him in defending any proceedings, whether civil or criminal, taken against him for any negligence, default, breach of duty or breach of trust (including fraud) of which he may be guilty in relation to the Company or a related company.

(d) In this Article, “related company”, in relation to the Company, means any company that is the Company’s subsidiary or holding company or a subsidiary of the Company’s holding company.”,

and THAT the Directors of the Company be and are hereby authorised generally to do all such acts, deeds and things as they shall, in their absolute discretion, deem appropriate or necessary to effect, implement and complete any of the foregoing.”

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

Hong Kong, 23 April 2004

Registered Office:
28/F, The Centrium
60 Wyndham Street
Central
Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting may appoint one or more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.
2. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share of the Company as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the proxy form duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the registered office, of the Company at 28/F., 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. Whether or not you propose to attend the Meeting in person, you are strongly urged to complete and return the proxy form in accordance with the instructions printed thereon. Completion and return of the proxy form will not preclude you from attending the Meeting and voting in person if you so wish. In the event that you attend the Meeting after having lodged the proxy form, it will be deemed to have been revoked.

All the directors of Value Convergence jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

This announcement will remain on the GEM website at 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.