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## **Joint Announcement**

**of**



**VC BROKERAGE LIMITED**  
滙盈證券有限公司

*(Incorporated in Hong Kong with limited liability)*

*Website: <http://www.vcgroup.com.hk>*



**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)**

**and**



**Melco**

*Melco International Development Limited*

*新濠國際發展有限公司*

*(Incorporated in Hong Kong with limited liability)*

*Website: <http://www.melco.hk.cn>*

**(Stock Code: 200)**

<p>The purpose of this announcement is to clarify recent press articles in relation to VC Brokerage Limited.</p>
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VC Brokerage Limited (hereafter referred to as “VC Brokerage”), a wholly-owned subsidiary of Value Convergence Holdings Limited (“Value Convergence”) (Stock Code: 8101), and a non-wholly owned subsidiary of Melco International Development Limited (“Melco”) (Stock Code: 200), and its management are aware of the fact that Mr. Yung Ka Tim, Timothy, Managing Director, Institutional and Corporate Sales Team of VC Brokerage, is involved in an ICAC investigation, concerning Semtech International Holdings Limited, for which VC Brokerage has acted as a placing agent. VC Brokerage is closely monitoring the situation and will offer full co-operation to ICAC on this matter. The job duties of Mr. Yung at VC Brokerage have been suspended, pending the outcome of the ICAC investigation. Due to regulatory constraints, the company was not able to issue any statement or comment on this matter earlier.

VC Brokerage would like to state and clarify the following:

1. The investigation concerns only the behavior of an individual employee and VC Brokerage is not the subject of the ICAC investigation;
2. The incident is an isolated matter and will not affect the normal operations of the company or the interests of its clients;
3. Proper internal control and monitoring systems are in place and have been applied to the company's business and dealings;
4. The company's staff in general hold a very high ethical and professional standard;
5. The incident should not be interpreted in any way so as to detract from the above.

Value Convergence and Melco wish to clarify also that Melco's Managing Director and Value Convergence's Vice-Chairman and President, Mr. Ho Yau Lung, Lawrence, has not at any time had any beneficial personal interests in the shares of Semtech International Holdings Limited and has never been a shareholder of that company. The recent press reports that Mr. Ho holds or has held shares in Semtech International Holdings Limited are incorrect and arose because of the disclosure that Mr. Ho was required to make under Section 324 of Part XV of the Securities and Futures Ordinance as a result of (a) the wide ambit of the Ordinance, (b) VC Brokerage acting as placing agent of a recent placement of Semtech International Holdings Limited, and (c) Mr. Ho's shareholding interest in Melco, parent company of Value Convergence, and Value Convergence's interest in VC Brokerage.

As at the date hereof, the following wholly owned subsidiaries of Value Convergence and 67.57% indirectly owned subsidiaries of Melco hold the following shares in Semtech:

VC Securities Investments Limited	5,344,000 shares, representing 1.83% of Semtech's issued share capital
VC Asset Management Limited	500,000 shares, representing 0.17% of Semtech's issued share capital

The shares held by VC Securities Investments Limited were acquired by the company in open market, and the shares held by VC Asset Management Limited were acquired by the company in Semtech's recent placement.

As at the date hereof, the executive directors of Melco are Dr. Stanley Ho (Chairman), Mr. Lawrence Ho (Managing Director) and Mr. Frank Tsui. Mr. Ho Cheuk Yuet is the non-executive director. The independent non-executive directors are Sir Roger Lobo, Mr. Robert Kwan and Mr. Ng Ching Wo. The executive directors of Value Convergence are Dr. Stanley Ho, Mr. Lawrence Ho and Dr. Lee Jun Sing; the non-executive director is Ms. Leong On Kei, Angela; the independent non-executive directors are Mr. Tsui Yiu Wa, Alec and Attorney Patajo-Kapunan, Lorna.

By order of the board  
**VC Brokerage Limited**  
**Ng Man Hoi**  
*Director and Chief Operating Officer*

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

By order of the board  
**Melco International Development Limited**  
**Ho Yau Lung, Lawrence**  
*Managing Director*

Hong Kong, 13th July 2004.

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

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