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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.

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VALUE CONVERGENCE HOLDINGS LIMITED
滙 盈 控 股 有 限 公 司

(incorporated in Hong Kong with limited liability under the Companies Ordinance)

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

(Stock Code: 8101)

**GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES,
RE-ELECTION OF DIRECTORS
AND
REFRESHER OF SCHEME MANDATE LIMIT OF SHARE OPTION SCHEME**

A notice convening the annual general meeting (“Annual General Meeting”) of Value Convergence Holdings Limited (the “Company”) to be held at 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong at 3:00 p.m. on Tuesday, 4th April, 2006 is contained in the annual report of the Company for the year ended 31st December, 2005 (the “Annual Report”). Whether or not you are able to attend such meeting, please complete and return the form of proxy enclosed with the Annual Report 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 Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General 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 for at least 7 days of the date of its publication and on the website of the Company at www.valueconvergence.com.

9th March, 2006

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.

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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 4th April, 2006 at 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong
“Annual Report”	the annual report of the Company for the year ended 31st December, 2005
“Board”	the board of Directors
“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
“Directors”	the directors of the Company
“Eligible Person(s)”	any person(s) who satisfies(y) the eligibility criteria under the Share Option Scheme
“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 7th March, 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein herein;
“Re-election of Directors”	the re-election of Dr. Ho Hung Sun, Stanley and Mr. Ho, Lawrence Yau Lung (as Executive Directors) immediately following their respective retirements at the AGM
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon exercise of all Share Options granted or to be granted under the Share Option Scheme as at 9th April, 2003, being the date when the scheme mandate limit of the Share Option Scheme was last refreshed

DEFINITIONS

“SFC”	the Securities and Futures Commission
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Option(s)”	a right to subscribe for Share(s) granted by the Company under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 29th November, 2001
“Shareholder(s)”	holder(s) of Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers

LETTER FROM THE BOARD



VALUE CONVERGENCE HOLDINGS LIMITED
滙 盈 控 股 有 限 公 司

(incorporated in Hong Kong with limited liability under the Companies Ordinance)

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

(Stock Code: 8101)

Executive Directors:

Dr. Ho Hung Sun, Stanley (*Chairman*)
Mr. Ho, Lawrence Yau Lung (*President & Vice Chairman*)
Dr. Lee Jun Sing

Registered office:

28th Floor, The Centrium
60 Wyndham Street
Central
Hong Kong

Independent Non-executive Directors:

Attorney Patajo-Kapunan, Lorna
Mr. Sham Sui Leung, Daniel
Dr. Tyen Kanhee, Anthony

9th March, 2006

To the shareholders of the Company

Dear Sir or Madam,

**GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES,
RE-ELECTION OF DIRECTORS
AND
REFRESHER OF SCHEME MANDATE LIMIT OF SHARE OPTION SCHEME**

1. INTRODUCTION

As released by the Company pursuant to an announcement dated 2nd March, 2006, the audit of the accounts of the Group for the year ended 31st December, 2005 was completed. The Company proposes to hold the AGM in which the shareholders of the Company will be asked to consider, and if thought fit, to pass resolutions to adopt the audited consolidated accounts of the Group for the year ended 31st December, 2005 and the reports of the Directors and auditors, to give a general mandate to the Directors to exercise the powers of the Company to repurchase and to issue securities and on Re-election of Directors. Details of these resolutions are set out in the notice of the AGM which is contained in pages 80 to 85 of the Annual Report.

The Board also proposes to refresh the Scheme Mandate Limit since the Scheme Mandate Limit has, to a substantial extent, been utilized by the Company as a result of the granting of certain Share Options under the Share Option Scheme to such Eligible Persons on 25th March, 2004. For the resolution on the aforesaid matter, you are referred to the notice of the AGM on pages 80 to 85 of the Annual Report.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information in connection with the aforementioned matters in order to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM.

2. GENERAL MANDATE TO REPURCHASE SHARES

On 13th April, 2005, a general mandate was given to the Directors to exercise the powers of the Company to repurchase up to 23,815,499 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) 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 249,746,226 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 24,974,622 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 to 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 AGM, a resolution will also be proposed 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") in order to ensure flexibility and discretion to the Directors to issue securities. In addition, a resolution will be proposed to extend the 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.

4. RE-ELECTION OF DIRECTORS

The Board currently consists of six Directors including three executive directors, namely, Dr. Ho Hung Sun, Stanley, Mr. Ho, Lawrence Yau Lung, Dr. Lee Jun Sing and three independent non-executive directors, namely, Attorney Patajo-Kapunan, Lorna, Mr. Sham Sui Leung, Daniel and Dr. Tyen Kanhee, Anthony.

LETTER FROM THE BOARD

Pursuant to the existing 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 these provisions, Dr. Ho Hung Sun, Stanley and Mr. Ho, Lawrence Yau Lung shall retire at the AGM. The aforementioned retiring Directors are eligible for re-election at the AGM.

Brief biographical details of the said retiring Directors proposed to be re-elected at the AGM are set out in Appendix II of the Circular.

5. REFRESHER OF SCHEME MANDATE LIMIT OF THE SHARE OPTION SCHEME

Pursuant to the GEM Listing Rules, the maximum number of shares of the Company which may be issued upon exercise of all outstanding Share Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes must not exceed 30% of the shares of the Company in issue from time to time.

The Shares which may be issued upon exercise of all Share Options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed the Scheme Mandate Limit, being 10% of the Shares in issue on 9th April, 2003, which was the date when scheme mandate limit of the Share Option Scheme was last refreshed. The total number of the Company's issued shares was 2,381,549,999 on 9th April, 2003 and the Scheme Mandate Limit is therefore 238,154,999 shares (adjusted to 23,815,499 Shares after capital reorganization of the Group). The Scheme Mandate Limit can be refreshed by Shareholders in general meeting provided that the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue on the date of the Shareholders' approval. In this connection, Share Options previously granted under the Share Option Scheme of the Company (including those outstanding, cancelled or lapsed in accordance with the Share Option Scheme or exercised Share Options) will not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

As at the Latest Practicable Date, Share Options entitling holders thereof to subscribe for an aggregate of 3,233,616 Shares and 10,845,565 Shares granted pursuant to the Share Option Scheme at the exercise prices of HK\$1.00 and HK\$0.64 respectively were outstanding. Save for such outstanding Share Options, no other Share Options have been granted under the Share Option Scheme to the Directors, employees of the Group or such other Eligible Persons as at the Latest Practicable Date. The Directors have no current intention to grant any further Share Options prior to the AGM.

Since the Company had granted a total of 23,160,565 Share Options after 9th April, 2003 to Eligible Persons, the Scheme Mandate Limit has, to a substantial extent, been utilized. The Board is of the view that, in order to encourage the relevant Eligible Persons to work towards enhancing the value of the Group and the Shares, further Share Options may need to be issued in future. As a result, it is necessary to refresh the Scheme Mandate Limit to enable this to happen. The Board considers that the refresher of the Scheme Mandate Limit is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

The resolution set out in item 7 of the notice of the AGM, if passed, will refresh the Scheme Mandate Limit. Assuming no further issue and repurchase of shares takes place before the AGM, upon refresher of the Scheme Mandate Limit by Shareholders at the AGM, the Scheme Mandate Limit as refreshed will allow the Company to grant Share Options entitling holders thereof to subscribe for 24,974,622 Shares, being 10% of 249,746,226 Shares in issue as at the date of approving the refresher of the Scheme Mandate Limit. On the assumption that the Scheme Mandate Limit as refreshed is fully utilized, the total number of Shares which may be issued upon exercise of all outstanding Share Options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company will not exceed 30% of the Shares in issue.

6. ANNUAL GENERAL MEETING

The notice of the AGM, which contains resolutions on the aforementioned and other matters, is set out in the Annual Report accompanying this circular.

There is enclosed in the Annual Report a form of proxy for use at the AGM. 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 appointed for holding 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.

7. PROCEDURES FOR DEMANDING A POLL BY SHAREHOLDERS

Article 73 of the Company's articles of association sets out the procedures by which shareholders of the Company 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.

LETTER FROM THE BOARD

8. RECOMMENDATION

The Directors believe that the adoption of the audited consolidated accounts of the Group and the reports of the Directors and auditors for the year ended 31st December, 2005, the granting of the general mandates to the Directors to repurchase and to issue securities, the Re-election of Directors and the refresher of Scheme Mandate Limit of the Share Option Scheme are in the best interests of the Company as well as the Shareholders as a whole and, accordingly, the Directors recommend the Shareholders to vote in favour of all the said resolutions to be proposed at the AGM.

9. 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 249,746,226 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 24,974,622 Shares (representing 10% 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 HK\$	Lowest trade price HK\$
2005		
March	0.720	0.630
April	3.475	0.650
May	1.990	1.020
June	1.110	0.780
July	0.950	0.820
August	1.090	0.790
September	0.840	0.580
October	0.680	0.500
November	0.720	0.490
December	0.640	0.550
2006		
January	0.790	0.540
February	1.140	0.650

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 TAKEOVER 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 purpose of the Takeover Code. As a result, a shareholder, or a group of shareholders acting in concert, 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 Rule 26 of the Takeover Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Melco Financial Group Limited is interested in approximately 64.44% of the existing issued share capital of the Company. In the event that the Directors should exercise in full the Repurchase Mandate, the shareholding of Melco Financial Group Limited in the Company will be increased to approximately 71.60% of the issued share capital of the Company. To the best of the knowledge and belief of the Directors, such increase would not give rise to an obligation to make a mandatory offer under the Takeover Code. The Directors have no present intention to repurchase the Shares to the extent that it will trigger the obligations under the Takeover Code to make a mandatory offer.

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

(1) Dr. Ho Hung Sun, Stanley, G.B.S., aged 84, Chairman and Executive Director

Dr. Ho joined the Group in February 2000. He is an outstanding entrepreneur in Asia with various key positions in both Hong Kong and Macau. In Hong Kong, Dr. Ho is Group Executive Chairman of Shun Tak Holdings Limited, Chairman of Melco International Development Limited, the securities of which are listed on The Stock Exchange of Hong Kong Limited, and President of The Real Estate Developers Association of Hong Kong. In Macau, Dr. Ho is the Managing Director of Sociedade de Turismo e Diversoes de Macau, S.A. and Sociedade de Jogos de Macau, S.A., Vice-Chairman of CAM – Macau International Airport Company Limited, Chairman of Seng Heng Bank Limited and Chairman of Macau Jockey Club.

Dr. Ho is a Standing Committee Member of the 10th National Committee of the Chinese People's Political Consultative Conference; Honorary Lifetime Chairman of The University of Hong Kong Foundation for Educational Development and Research; Founding Member of Court of The Hong Kong Polytechnic University; Trustee of Macau Foundation; Member of the Economic Council of Macau Special Administrative Region; as well as Council Member of University of Macau.

Dr. Ho is also a vice patron of the Community Chest of Hong Kong, a member of the board of trustees of the Better Hong Kong Foundation, and a patron of the Society of the Academy for Performing Arts.

Dr. Ho is a holder of honorary doctorates of social sciences of The University of Hong Kong, The Hong Kong Polytechnic University and the University of Macau. He was awarded the Honorary Degree of Doctor of Business Administration by The Open University of Hong Kong.

There is no service contract entered into between the Company and Dr. Ho, but Dr. Ho is subject to retirement and re-election at annual general meeting pursuant to articles of association of the Company. Dr. Ho does not receive any emoluments or benefits for his directorship of the Company.

Dr. Ho is the father of Mr. Ho, Lawrence Yau Lung, the Vice Chairman of the Company. He is Chairman of the Board and a shareholder of Melco International Development Limited, which holds 64.44% of the Company's issued shares. Save as disclosed, Dr. Ho has no other relationship with any Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. As of the Latest Practicable Date, Dr. Ho is taken to be interested in 7,384,651 shares as a result of him being beneficially interested in 65% of the issued share capital of Bailey Development Limited which in turn holds approximately 2.96% of the issued share capital of the Company.

Save as disclosed above, there is nothing 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. Ho's re-election.

(2) Mr. Ho, Lawrence Yau Lung, aged 29, President, Vice Chairman and Executive Director

Mr. Ho joined the Group in October 2000 and was appointed the President and Vice Chairman of the Group with effect from August 2002. Within six months of joining the Group, Mr. Ho spearheaded the public listing of the Company on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and was instrumental in its subsequent mergers and acquisitions. Mr. Ho was appointed the Group Managing Director of Melco International Development Limited, a group listed on Hong Kong Stock Exchange, in November 2001, after he became the majority shareholder by completing a General Offer for shares of the Company. Melco is an actively managed conglomerate with a market capitalization of HK\$14 billion and has 3 main lines of businesses, spearheaded by Leisure, Gaming & Entertainment in Macau & Asia via an exclusive joint venture with Australia’s largest conglomerates and gaming groups – Publishing & Broadcasting Limited. As the Group Managing Director, Mr. Ho oversees and is responsible for the overall strategic development, management and operations of the Melco Group.

Before heading Melco and Value Convergence, Mr. Ho worked at Jardine Fleming and Citibank N.A. Mr. Ho is a graduate of the University of Toronto, Canada and holds a Bachelor of Arts degree, majoring in commerce.

Mr. Ho serves on numerous boards and committees in Hong Kong, Macau & mainland China. He is 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; Chairman of Macau International Volunteers Association; Chairman of The Chamber of Hong Kong Listed Companies; Member of Campaign Committee of The Community Chest; Board of Governors of The Canadian Chamber of Commerce; 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.

With Mr. Ho’s excellent directorship and entrepreneurial spirit, Institutional Investor, a leading research and publishing organization has honoured Mr. Ho as the “BEST CEO” in the ‘Conglomerates’ category by end of 2005. Mr. Ho also won the “Directors of the Year Award 2005” in November 2005, presented annually by the Hong Kong Institute of Directors in recognition of excellent corporate governance practices among Hong Kong listed companies and their directors.

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.

Mr. Ho is the son of Dr. Ho Hung Sun, Stanley, the Chairman of the Company and the founder of the Shun Tak Group and Sociedade de Turismo e Diversoes de Macau, S.A. He is a President and Vice Chairman of the Board and a shareholder of Melco International Development Limited, which holds 64.44% of the Company's issued shares. Save as disclosed, Mr. Ho has no other relationship with any Directors, senior management, management shareholders, substantial shareholders or controlling shareholders of the Company. As of the Latest Practicable Date, Mr. Ho is taken to be interested in 4,232,627 shares as a result of him being beneficially interest in the entire issued share capital of Golden Mate Co., Ltd. which in turn holds approximately 1.69% of the issued share capital of the Company. The personal interests of Mr. Ho consist of derivative interests in the Company in form of 491,057 physically settled options, which were granted on 9th July, 2002 and which will expire on 8th July, 2012, at an exercise price of HK\$1.0 per the Company's share.

Save as disclosed above, there is nothing which needs to be disclosed pursuant to Rule 17.50(2)(h) to Rule 17.50(2)(w) of the GEM Listing Rule in respect of Mr. Ho's re-election.