

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, 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 announcement.



Value Convergence Holdings Limited

(Incorporated in Hong Kong with limited liability)

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

(Stock code: 8101)

CLARIFICATION ANNOUNCEMENT

The purpose of this announcement is to clarify the contents of an article published in Sing Pao on 2nd May 2008 regarding (i) the proposed setting up by the Company in partnership with a renowned international financial institution of a real estate private equity fund focusing on development of residential properties in Macau; and (ii) the application by the Company to transfer from the GEM Board to the Main Board this year.

Reference is made to an article (the "Article") published in Sing Pao on 2nd May 2008, which reported that (i) Value Convergence Holdings Limited (the "Company") intended, in partnership with a renowned international financial institution, to set up a real estate private equity fund focusing on development of residential properties in Macau; and (ii) the Company would apply to transfer from the GEM Board to the Main Board this year (the "said report").

Pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"), the board of directors of the Company wishes to clarify as follows:

1. To the best of the Company's knowledge, the source of the information on which the Article is based comes from replies by the Company's Chief Executive Officer, Mr. Patrick Sun, to questions from certain reporters, on 29th April 2008 after holding of the Company's Annual General Meeting, on establishment of a Macau residential property fund reported in the Company's 2007 Annual Report. The responses given by Mr. Sun in relation to the fund were given in the context of information regarding the fund that had already been disclosed in the Company's 2007 Annual Report and thus already in the public domain.

2. The following statements of the Article, so far as relate to the said report, are accurate:

- (a) The Company intends to establish a fund management company with a renowned international financial institution (the “Financial Institution”), in which company the Company and the Financial Institution would each own 50% interest.
- (b) The Company and the Financial Institution intend to set up a private equity fund (the “Fund”) to participate in Macau development property market.
- (c) The launching of the Fund would be confirmed in two to three months’ time.
- (d) The size of the Fund is preliminarily estimated to be US\$300 million.
- (e) As promoters of the Fund, the Company and the Financial Institution would invest in the Fund and take up part of the amount of the Fund.
- (f) The internal rate of return of projects invested by the Fund would be around 20% to 30%.
- (g) The fund management company to be set up might in future manage some other fund.
- (h) The Company intends to apply to change its listing status from the GEM Board to the Main Board this year, but whether the Company would actually so apply depends on when the new change of listing status requirements are introduced.

The following statements of the Article, so far as relate to the said report, are inaccurate:

- (a) The projects in which the Fund would invest would be for a period of five or seven years.
- (b) The fund management company to be set up might in future establish some other fund.
- (c) If the new change of listing status requirements are beneficial to the Company, the Company would possibly not apply to change to Main Board.

3. So far, the Company is still in the process of setting up the Fund and has not, as regards the matters mentioned in the said report, signed any agreement or entered into any transaction which is discloseable under Chapters 19 and 20 of the GEM Listing Rules or under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature. The Company will comply with its obligation to issue an announcement under the GEM Listing Rules as and when it arises.

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

Hong Kong, 2nd May 2008

As at the date of this announcement, the board of directors of the Company comprises Mr. Ho, Lawrence Yau Lung (Chairman), Mr. Patrick Sun# (Chief Executive Officer), Mr. Tsui Che Yin, Frank#, Dr. Lee Jun Sing*, Dr. Tyen Kanhee, Anthony+, Mr. Sham Sui Leung, Daniel+ and Mrs. Chu Ho Miu Hing+.*

Executive Director

* *Non-executive Director*

+ *Independent Non-executive Director*

This announcement, for which the directors of VALUE CONVERGENCE HOLDINGS LIMITED collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to VALUE CONVERGENCE HOLDINGS LIMITED. The directors of VALUE CONVERGENCE HOLDINGS LIMITED, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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.