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# PROVIEW INTERNATIONAL HOLDINGS LIMITED

## 唯冠國際控股有限公司\*

*(Incorporated in Bermuda with limited liability)*

Website: <http://www.irasia.com/listco/hk/proview>

(Stock Code: 334)

### DISCLOSURE OF TRADE RECEIVABLES PURSUANT TO RULES 13.13, 13.14 AND 13.15 OF THE LISTING RULES

Certain Trade Receivables have exceeded 8% of the Market Capitalisation and have given rise to disclosure obligations on the part of the Company under Rules 13.13 and 13.15 of the Listing Rules.

Certain Trade Receivables have increased further and the consideration ratios of such Trade Receivables for the amount of the increase are 3% or more since previous disclosures under Rules 13.13, 13.14 or 13.20 of the Listing Rules and have given rise to disclosure obligations on the part of the Company under Rules 13.14 and 13.15 of the Listing Rules.

As there was a change in the Director responsible for compliance matters, the new Director responsible for compliance matters misinterpreted that trade receivables do not constitute advances to entities under the Listing Rules. Under this misapprehension of the nature of trade receivables, the Company failed to release announcements in relation to the Trade Receivables in a timely manner.

The failure to disclose the Trade Receivables has resulted in breaches of Rules 13.13, 13.14 and 13.15 of the Listing Rules, the Stock Exchange reserves its rights to take appropriate action against the Company and/or the Directors for the failure of the Company to release the announcement in relation to the Trade Receivables in a timely manner.

#### **TRADE RECEIVABLES EXCEEDED 8% OF THE MARKET CAPITALISATION**

Pursuant to the requirements under Rules 13.13 and 13.15 of the Listing Rules, where any of the Percentage Ratios of the relevant advance to an entity exceeds 8%, a general disclosure obligation for the Company will arise.

The following Trade Receivables exceeded 8% of the Market Capitalisation of the Company:

- A) As at 31 January 2005, the MAG Trade Receivables, in aggregate amounted to approximately HK\$79,910,000, represented approximately 9.72% of the Market Capitalisation (being approximately HK\$822,321,000), based on the average closing price of the Shares of HK\$1.27 as stated in daily quotation sheets of the Stock Exchange for the period from 24 January 2005 to 28 January 2005 (being the five trading days immediately preceding 31 January 2005) and 645,464,129 Shares in issue on 31 January 2005. Pursuant to Rule 13.13 of the Listing Rules, the Company was required to disclose details of such MAG Trade Receivables in accordance with Rule 13.15 of the Listing Rules. The MAG Trade Receivables were disclosed in the 2005 Annual Report in compliance with Rule 13.20 of the Listing Rules;

- B) As at 31 March 2005, the KDS Trade Receivables, in aggregate amounted to approximately HK\$153,081,000, represented approximately 17.36% of the Market Capitalisation (being approximately HK\$881,704,000), based on the average closing price of the Shares of HK\$1.37 as stated in daily quotation sheets of the Stock Exchange for the period from 22 March 2005 to 30 March 2005 (being the five trading days immediately preceding 31 March 2005) and 645,464,129 Shares in issue on 31 March 2005. Pursuant to Rule 13.13 of the Listing Rules, the Company was required to disclose details of such KDS Trade Receivables in accordance with Rule 13.15 of the Listing Rules. The KDS Trade Receivables were disclosed in the 2005 Annual Report in compliance with Rule 13.20 of the Listing Rules;
- C) As at 30 June 2005, the Gateway Trade Receivables, in aggregate amounted to approximately HK\$116,300,000, represented approximately 20.38% of the Market Capitalisation (being approximately HK\$570,590,000), based on the average closing price of the Shares of HK\$0.88 as stated in daily quotation sheets of the Stock Exchange for the period from 23 June 2005 to 29 June 2005 (being the five trading days immediately preceding 30 June 2005) and 645,464,129 Shares in issue on 30 June 2005. Pursuant to Rule 13.13 of the Listing Rules, the Company was required to disclose details of such Gateway Trade Receivables in accordance with Rule 13.15 of the Listing Rules. The Gateway Trade Receivables were disclosed in the 2005 Annual Report in compliance with Rule 13.20 of the Listing Rules;
- D) As at 31 May 2005, the Dixons Trade Receivables, in aggregate amounted to approximately HK\$83,766,000, represented approximately 10.37% of the Market Capitalisation (being approximately HK\$808,121,000), based on the average closing price of the Shares of HK\$1.25 as stated in daily quotation sheets of the Stock Exchange for the period from 24 May 2005 to 30 May 2005 (being the five trading days immediately preceding 31 May 2005) and 645,464,129 Shares in issue on 31 May 2005. Pursuant to Rule 13.13 of the Listing Rules, the Company was required to disclose details of such Dixons Trade Receivables in accordance with Rule 13.15 of the Listing Rules. The Dixons Trade Receivables were disclosed in the 2005 Annual Report in compliance with Rule 13.20 of the Listing Rules;
- E) As at 30 June 2005, the Viewsonic Trade Receivables, in aggregate amounted to approximately HK\$57,682,000, represented approximately 10.11% of the Market Capitalisation (being approximately HK\$570,590,000), based on the average closing price of the Shares of HK\$0.88 as stated in daily quotation sheets of the Stock Exchange for the period from 23 June 2005 to 29 June 2005 (being the five trading days immediately preceding 30 June 2005) and 645,464,129 Shares in issue on 30 June 2005. Pursuant to Rule 13.13 of the Listing Rules, the Company was required to disclose details of such Viewsonic Trade Receivables in accordance with Rule 13.15 of the Listing Rules. The Viewsonic Trade Receivables were disclosed in the 2005 Annual Report in compliance with Rule 13.20 of the Listing Rules;
- F) As at 28 February 2005, the Lenovo Trade Receivables, in aggregate amounted to approximately HK\$125,414,000, represented approximately 12.73% of the Market Capitalisation (being approximately HK\$984,978,000), based on the average closing price of the Shares of HK\$1.53 as stated in daily quotation sheets of the Stock Exchange for the period from 21 February 2005 to 25 February 2005 (being the five trading days immediately preceding 28 February 2005) and 645,464,129 Shares of the Company in issue on 28 February 2005. Pursuant to Rule 13.13 of the Listing Rules, the Company was required to disclose details of such Lenovo Trade Receivables in accordance with Rule 13.15 of the Listing Rules. The Lenovo Trade Receivables were disclosed in the 2005 Annual Report in compliance with Rule 13.20 of the Listing Rules;
- G) As at 1 August 2005, the Asuspower Trade Receivables, in aggregate amounted to approximately HK\$43,382,000, represented approximately 9.52% of the Market Capitalisation (being approximately HK\$455,698,000), based on the average closing price of the Shares of HK\$0.71 as stated in daily quotation sheets of the Stock Exchange for the period from 25 July 2005 to 29 July 2005 (being the five trading days immediately preceding 1 August 2005) and 645,464,129 Shares in issue on 1 August 2005. Pursuant to Rule 13.13 of the Listing Rules, the Company was required to disclose details of such Asuspower Trade Receivables in accordance with Rule 13.15 of the Listing Rules; and

- H) As at 1 August 2005, the Maxdata Trade Receivables, in aggregate amounted to approximately HK\$37,380,000, represented approximately 8.20% of the Market Capitalisation (being approximately HK\$455,698,000), based on the average closing price of the Shares of HK\$0.71 as stated in daily quotation sheets of the Stock Exchange for the period from 25 July 2005 to 29 July 2005 (being the five trading days immediately preceding 1 August 2005) and 645,464,129 Shares in issue on 1 August 2005. Pursuant to Rule 13.13 of the Listing Rules, the Company was required to disclose details of such Maxdata Trade Receivables in accordance with Rule 13.15 of the Listing Rules.

To the best of the Directors' knowledge, MAG, KDS, Gateway, Dixons, Viewsonic, Lenovo, Asuspowers, Maxdata and their respective ultimate beneficial owners are third parties independent of the Company and the connected persons (as defined in the Listing Rules) of the Company.

#### **INCREASE IN TRADE RECEIVABLES**

Pursuant to the requirements under Rules 13.14 and 13.15 of the Listing Rules, where the advance to an entity increases and any of the Percentages Ratios for the amount of the increase since previous disclosure under Rules 13.13, 13.14 or 13.20 of the Listing Rules is 3% or more, a general disclosure obligation will arise.

The following Trade Receivables have increased further and the consideration ratios of such Trade Receivables for the amount of the increase are 3% or more since previous disclosures under Rules 13.13, 13.14 or 13.20 of the Listing Rules:

- A) As at 3 May 2005, the MAG Trade Receivables, in aggregate amounted to approximately HK\$105,351,000, represented approximately 13.49% of the Market Capitalisation (being approximately HK\$781,012,000), based on the average closing price of the Shares of HK\$1.21 as stated in daily quotation sheets of the Stock Exchange for the period from 25 April 2005 to 29 April 2005 (being the five trading days immediately preceding 3 May 2005) and 645,464,129 Shares in issue on 3 May 2005. As the amount of the MAG Trade Receivables has increased and the consideration ratio for the amount of the increase since 31 January 2005 is more than 3%, the Company has a general disclosure obligation under Rule 13.14 of the Listing Rules to disclose details of such MAG Trade Receivables in accordance with Rule 13.15 of the Listing Rules. For details of the MAG Trade Receivables as at 31 January 2005, please refer to Paragraph A under the section headed "Trade Receivables exceeded 8% of the Market Capitalisation" in this announcement. The MAG Trade Receivables were disclosed in the 2005 Annual Report in compliance with Rule 13.20 of the Listing Rules;
- B) As at 30 June 2005, the MAG Trade Receivables, in aggregate amounted to approximately HK\$128,925,000, represented approximately 22.60% of the Market Capitalisation (being approximately HK\$570,590,000), based on the average closing price of the Shares of HK\$0.88 as stated in daily quotation sheets of the Stock Exchange for the period from 23 June 2005 to 29 June 2005 (being the five trading days immediately preceding 30 June 2005) and 645,464,129 Shares in issue on 30 June 2005. As the amount of the MAG Trade Receivables has increased and the consideration ratio for the amount of the increase since 3 May 2005 is more than 3%, the Company has a general disclosure obligation under Rule 13.14 of the Listing Rules to disclose details of such MAG Trade Receivables in accordance with Rule 13.15 of the Listing Rules. For details of the MAG Trade Receivables as at 3 May 2005, please refer to Paragraph A under this section in this announcement. The MAG Trade Receivables were disclosed in the 2005 Annual Report in compliance with Rule 13.20 of the Listing Rules;
- C) As at 31 August 2005, the Dixons Trade Receivables, in aggregate amounted to approximately HK\$113,230,000, represented approximately 26.66% of the Market Capitalisation (being approximately HK\$424,715,000), based on the average closing price of the Shares of HK\$0.66 as stated in daily quotation sheets of the Stock Exchange for the period from 24 August 2005 to 30 August 2005 (being the five trading days immediately preceding 31 August 2005) and 645,464,129 Shares in issue on 31 August 2005. As the amount of the Dixons Trade Receivables has increased and the consideration ratio for the amount of the increase since 31 May 2005 is more than 3%, the Company has a general disclosure obligation under Rules 13.14 of the Listing Rules to disclose details of such Dixons Trade Receivables in accordance with Rule 13.15 of the Listing Rules. For details of the Dixons Trade Receivables as at 31 May 2005, please refer to Paragraph D under the section headed "Trade Receivables exceeded 8% of the Market Capitalisation" in this announcement;

- D) As at 30 September 2005, the Dixons Trade Receivables, in aggregate amounted to approximately HK\$189,014,000, represented approximately 50.84% of the Market Capitalisation (being approximately HK\$371,787,000), based on the average closing price of the Shares of HK\$0.58 as stated in daily quotation sheets of the Stock Exchange for the period from 23 September 2005 to 29 September 2005 (being the five trading days immediately preceding 30 September 2005) and 645,464,129 Shares in issue on 30 September 2005. As the amount of the Dixons Trade Receivables has increased and the consideration ratio for the amount of the increase since 31 August 2005 is more than 3%, the Company has a general disclosure obligation under Rule 13.14 of the Listing Rules to disclose details of such Dixons Trade Receivables in accordance with Rule 13.15 of the Listing Rules. For details of the Dixons Trade Receivables as at 31 August 2005, please refer to Paragraph C under this section in this announcement;
- E) As at 31 March 2005, the Lenovo Trade Receivables, in aggregate amounted to approximately HK\$183,132,000, represented approximately 20.77% of the Market Capitalisation (being approximately HK\$881,704,000), based on the average closing price of the Shares of HK\$1.37 as stated in daily quotation sheets of the Stock Exchange for the period from 22 March 2005 to 30 March 2005 (being the five trading days immediately preceding 31 March 2005) and 645,464,129 Shares in issue on 31 March 2005. As the amount of the Lenovo Trade Receivables has increased and the consideration ratio for the amount of the increase since 28 February 2005 is more than 3%, the Company has a general disclosure obligation under Rule 13.14 of the Listing Rules to disclose details of such Lenovo Trade Receivables in accordance with Rule 13.15 of the Listing Rules. For details of the Lenovo Trade Receivables as at 28 February 2005, please refer to Paragraph F under the section headed "Trade Receivables exceeded 8% of the Market Capitalisation" in this announcement. The Lenovo Trade Receivables were disclosed in the 2005 Annual Report in compliance with Rule 13.20 of the Listing Rules;
- F) As at 30 September 2005, the Maxdata Trade Receivables, in aggregate amounted to approximately HK\$61,678,000, represented approximately 16.59% of the Market Capitalisation (being approximately HK\$371,787,000), based on the average closing price of the Shares of HK\$0.58 as stated in daily quotation sheets of the Stock Exchange for the period from 23 September 2005 to 29 September 2005 (being the five trading days immediately preceding 30 September 2005) and 645,464,129 Shares in issue on 30 September 2005. As the amount of the Maxdata Trade Receivables has increased and the consideration ratio for the amount of the increase since 1 August 2005 is more than 3%, the Company has a general disclosure obligation under Rules 13.14 of the Listing Rules to disclose details of such Maxdata Trade Receivables in accordance with Rule 13.15 of the Listing Rules. For details of the Maxdata Trade Receivables as at 1 August 2005, please refer to Paragraph H under the section headed "Trade Receivables exceeded 8% of the Market Capitalisation" in this announcement.

#### **INTERPRETATION OF RULES 13.13, 13.14 AND 13.15 OF THE LISTING RULES**

As there was a change in the Director responsible for compliance matters, the new Director responsible for compliance matters misinterpreted that the nature of interest-free trade receivables is different from that of advances to entities stipulated under the Listing Rules, the Director therefore considered that the Trade Receivables did not constitute advances to entities under Chapter 13 of the Listing Rules. Under this misapprehension of the nature of trade receivables, the Company failed to release announcements in relation to the Trade Receivables in a timely manner.

In early October 2005, the Directors became aware of their misapprehension as to the Listing Rules after consultation with auditors of the Company who were in the course of preparing of the 2005 Annual report.

In order to prevent the reoccurrence of similar incident, in the event that the Directors have doubts as to the interpretation of the Listing Rules, the Directors will consult the professional parties so as to ensure that their apprehension and interpretation of the Listing Rules are correct.

A compliance committee of the Directors comprising one executive Director and the company secretary of the Company will be formed. The legal advisers of the Company will assist the committee to review and suggest ways to improve the existing compliance procedures of the Company, and to advise the committee on the interpretation of the Listing Rules. The committee will be responsible to assist and work with the compliance officer in carrying out his duties and responsibilities as laid down in the Listing Rules and to review and suggest ways to improve the existing compliance procedures of the Company.

Save as disclosed above, the Company has reviewed all the previous books, records and relevant information and has not identified any breach in PN19 of the Listing Rules and Rules 13.13 to 13.21 of the Listing Rules prior to and after 31 March 2004 respectively. As at the date of this announcement, the Company did not and does not have any other disclosure obligations under Rule 13.13 to 13.21 of the Listing Rules.

The Company will ensure its due compliance with the continuing disclosure obligations under Rule 13.20 of the Listing Rules in its subsequent interim and annual reports.

#### **GENERAL**

The principal activities of the Group are manufacture and sales of computer monitors and TV products under its own and licensed brand names, and on original design manufacturing basis. The Trade Receivables comprised accounts receivables arose from the sales of goods to the respective customers of the Group in its ordinary course of business. Except MAG Trade Receivables, the relevant receivables are interest-free and unsecured. The Trade Receivables have a normal repayment term ranging from 45 to 180 days.

The MAG Trade Receivables are interest-free and secured by the trademark of “MAG”.

The failure to disclose the Trade Receivables has resulted in breaches of Rules 13.13, 13.14 and 13.15 of the Listing Rules, the Stock Exchange reserves its rights to take appropriate action against the Company and/or the Directors for the failure of the Company to release the announcement in relation to the Trade Receivables in a timely manner.

#### **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“2005 Annual Report”	the annual report of the Company for the financial year ended 30 June 2005 dated 27 October 2005
“Asuspower”	Asuspower Corporation
“Asuspower Trade Receivables”	the trade receivables owed by Asuspower to the Group in the ordinary course of business of the Group
“Company”	Proview International Holdings Limited, a company incorporated in Bermuda, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Dixons”	Dixons Stores Group
“Dixons Trade Receivables”	the trade receivables owed by Dixons to the Group in the ordinary course of business of the Group
“Gateway”	Gateway Company Inc.
“Gateway Trade Receivables”	the trade receivables owed by Gateway to the Group in the ordinary course of business of the Group
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“KDS”	Korea Data Systems
“KDS Trade Receivables”	the trade receivables owed by KDS to the Group in the ordinary course of business of the Group
“Lenovo”	Lenovo (Beijing) Ltd. and Shanghai Lenovo Electronic Co., Ltd.
“Lenovo Trade Receivables”	the trade receivables owed by Lenovo to the Group in the ordinary course of business of the Group
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MAG”	MAG Technology Co., Ltd.
“MAG Trade Receivables”	the trade receivables owed by MAG to the Group in the ordinary course of business of the Group

“Market Capitalisation”	the market capitalisation of the Company as at the relevant date (the “Relevant Date”) as mentioned in this announcement, the calculation of which is based on the total number of Shares in issue on the Relevant Date and the average closing price of the Share as stated in the daily quotations sheets of the Stock Exchange for the five trading days immediately preceding the Relevant Date, being the date of the relevant trade receivables owed to the Group
“Maxdata”	Maxdata Systeme GMBH
“Maxdata Trade Receivables”	the trade receivables owed by Maxdata to the Group in the ordinary course of business of the Group
“Percentage Ratios”	has the same meaning ascribed to it under Rule 14.07 of the Listing Rules
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trade Receivables”	the trade receivables of the Group exceeded 8% of the Market Capitalisation which consist of the MAG Trade Receivables, KDS Trade Receivables, Gateway Trade Receivables, Dixons Trade Receivables, Viewsonic Trade Receivables, Lenovo Trade Receivables, Asuspower Trade Receivables and Maxdata Trade Receivables
“Viewsonic”	Viewsonic China Ltd.
“Viewsonic Trade Receivables”	the trade receivables owed by Viewsonic to the Group in the ordinary course of business of the Group
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board  
**Proview International Holdings Limited**  
**Yang Long-san, Rowell**  
*Chairman*

Hong Kong, 30 December 2005

*As at the date of this announcement, the executive Directors are Mr. Yang Long-san, Rowell, Mr. Wang Ming-chun, Morris, Mr. Wong Kui-ming, Luffer, Mr. Chang Su-pong, Steve and Ms. Hui Siu-ling, Elina. The independent non-executive Directors are Mr. Lee Chiu-kang, Alex, Mr. Liu Zixian and Mr. Lau Siu-ki, Kevin.*

*\* For identification purposes only*

Please also refer to the published version of this announcement in China Daily.