
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Value Partners China Greenchip Fund Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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VALUE PARTNERS CHINA GREENCHIP FUND LIMITED

(incorporated as an exempted company in the Cayman Islands with limited liability)

(Stock Code: 1186)

CONTINUING CONNECTED TRANSACTION**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**

A letter from the board of directors of Value Partners China Greenchip Fund Limited is set out on pages 5 to 11 of this circular. A letter from the Independent Board Committee is set out on page 12 of this circular. A letter from CAF Securities containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 13 to 20 of this circular.

A notice convening an EGM to be held at 3301 Tower II, Lippo Centre, 89 Queensway, Hong Kong on Friday, 16 December 2005 is set out on pages 21 to 22 of this circular. If you are not able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tengis Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding the relevant meeting. Completion and return of the form of proxy will not prevent the Shareholders from attending and voting in person at the EGM or any adjournment thereof should they so wish.

30 November 2005

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Articles of Association”	means the articles of association adopted by the Company as amended from time to time;
“Board”	means the board of Directors of the Company
“Business Day”	means a day (other than a Saturday) on which the Stock Exchange is open for normal trading and on which banks in Hong Kong are open for general business provided that, where as a result of a Number 8 Typhoon Signal being hoisted or a Black Rainstorm warning being issued or other similar event, the period during which banks in Hong Kong are open on any day is reduced, such day shall not be a Business Day unless the Manager otherwise determines
“CAF Securities”	CAF Securities Company Limited, a company incorporated under the laws of Hong Kong, an independent financial adviser to the Independent Board Committee and the Independent Shareholders
“Cap”	HK\$90 million, being the maximum aggregate value for the fees payable to the Manager by the Company in any financial year during the Renewed Term pursuant to the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement)
“Company”	means Value Partners China Greenchip Fund Limited
“Directors”	means the directors of the Company
“EGM”	means the extraordinary general meeting of the Company to be held to consider and approve the Transaction
“Futures Contract”	means any futures contract which is traded on the Futures Exchange or a Recognised Futures Exchange
“Futures Exchange”	means Hong Kong Futures Exchange Limited
“Greater China”	means the People’s Republic of China, but for the purposes of this circular and the Company’s investment objective and investment approach and for geographical reference, includes Taiwan and Hong Kong and excludes Macau
“Independent Board Committee”	means the independent board committee of the Company comprising of Mr. Li Aubrey Kwok Sing, Mr. Ng Ka Wai, Eric and Mr. Paul Marin Theil

DEFINITIONS

“Independent Shareholders”	means the shareholder(s) of the Company other than the Manager and its associates (as defined under the Listing Rules)
“Independent Third Party” or “Independent Third Parties”	means third part(y)/(ies) independent of the Company and connected persons of the Company (as defined under the Listing Rules)
“Investments”	means all of the Company’s assets (including cash) for the time being deposited or deemed deposited with Standard Chartered Bank for the account of the Company excluding any amount declared as a dividend payable by the Company
“Investment Management Agreement”	means the agreement entered into on 28 March 2002 between the Company and the Manager for the management of the Investments
“Latest Practicable Date”	means 22 November 2005, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange
“Manager”	means Value Partners Limited or its successors, a company incorporated under the laws of the British Virgin Islands
“Market”	means the following, in any part of the world: (i) in relation to any Security: the Stock Exchange or a Recognised Stock Exchange; and (ii) in relation to any Futures Contract: the Futures Exchange or a Recognised Futures Exchange
“Net Asset Value”	means the net asset value of the Company or, as the context may require, the net asset value per Share, calculated pursuant to the Articles of Association
“Performance Fee Valuation Day”	means the last Business Day of each calendar year
“Recognised Futures Exchange”	means an international futures exchange which is recognised by the SFC or which is approved by the Directors and the Manager
“Recognised Stock Exchange”	means an international stock exchange which is recognised by the SFC or which is approved by the Directors and the Manager
“Relevant Performance Period”	means the period commencing 1 January to 31 December (both dates inclusive) in each successive calendar year

DEFINITIONS

“Renewal Agreement”	means the agreement entered into on 1 April 2005 between the Company and the Manager to renew the Investment Management Agreement which has expired on 3 April 2005
“Renewed Term”	means the fixed term of two years commencing on 4 April 2005
“Security” or “Securities”	<p>means any share, stock, debenture, loan stock, bond, security, commercial paper, acceptance, trade bill, treasury bill, instrument or note of, or issued by or under the guarantee of, any body, whether incorporated or unincorporated, or of any government or local government authority or supranational body, whether paying interest or dividends or not and whether fully-paid, partly paid or nil paid and includes (without prejudice to the generality of the foregoing):</p> <ul style="list-style-type: none">(i) any right, option or interest (howsoever described) in or in respect of any of the foregoing, including units in any Unit Trust (as defined in the Articles of Association);(ii) any certificate of interest or participation in, or temporary or interim certificate for, receipt for or warrant to subscribe or purchase, any of the foregoing;(iii) any instrument commonly known or recognised as a security;(iv) any receipt or other certificate or document evidencing the deposit of a sum of money, or any rights or interests arising under any such receipt, certificate or document; and(v) any bill of exchange and any promissory note
“SFC”	means the Securities and Futures Commission of Hong Kong
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share”	means shares of par value HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	means registered holders of the Shares from time to time
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Supplemental Agreement”	means the agreement entered into on 8 November 2005 between the Company and the Manager to amend the terms of the Investment Management Agreement (as renewed by the Renewal Agreement)
“Transaction”	means the entering into the Supplemental Agreement by the Company and all the transactions contemplated thereunder
“Valuation Point”	means the official close of trading on the Market on each Business Day on which any Security, commodity, or Futures Contract comprised in the Company’s portfolio is traded and, if assets comprising the Company’s portfolio are traded on more than one Market, the official close of trading on the last Market to close or such other time or times as determined by the Manager from time to time provided that there shall always be a Valuation Point on each Business Day

LETTER FROM THE BOARD

VALUE PARTNERS CHINA GREENCHIP FUND LIMITED

(incorporated as an exempted company in the Cayman Islands with limited liability)

(Stock Code: 1186)

Executive Directors:

So Chun Ki Louis (*Chairman*)
Cheah Cheng Hye
Teng Ngiek Lian
Ngan Wai Wah

Non-executive Director:

Yeung Kin Sing

Independent non-executive Directors:

Li Aubrey Kwok Sing
Paul Marin Theil
Ng Ka Wai, Eric

Registered office:

P. O. Box 309 GT
Ugland House
George Town
Grand Cayman
Cayman Islands
British West Indies

Principal place of

business in Hong Kong:

3301 Tower II
Lippo Centre
89 Queensway
Hong Kong

30 November 2005

To the Shareholders,

Dear Sir or Madam

CONTINUING CONNECTED TRANSACTION

1. INTRODUCTION

Reference is made to the Company's announcements dated 1 April 2005 and 8 November 2005 relating to the continuing connected transaction with the Manager. The Board announced that on 1 April 2005, the Company entered into the Renewal Agreement to extend the term of the Investment Management Agreement for two years commencing on 4 April 2005 and that the maximum fees payable to the Manager under the Renewal Agreement during the Renewed Term is HK\$13 million per annum.

The Board announced on 8 November 2005 that the Company entered into the Supplemental Agreement to amend the terms of the Investment Management Agreement (as renewed by the Renewal Agreement) whereby the amount of fees payable by the Company to the Manager thereunder will be restored to be determined in accordance with the provisions and formula as set out in the Investment Management Agreement.

The Manager is deemed a connected person of the Company under Rule 21.13 of the Listing Rules. In addition, Mr Cheah Cheng Hye, a director of the Company, is also a director and the single largest shareholder of the Manager holding 32.77%. As the aggregate value of the fees payable to the Manager by the Company under the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) in any financial year during the Renewed

LETTER FROM THE BOARD

Term may exceed HK\$13 million or 2.5% of the market capitalisation of the Company, the Transaction constitutes a non-exempt continuing connected transaction of the Company under Rule 14A.35 of the Listing Rules and will be subject to Independent Shareholders' approval pursuant to Rule 14A.35 of the Listing Rules. The Company will convene the EGM to seek Independent Shareholders' approval in respect of the Transaction (including the Cap).

The Independent Board Committee has been set up to advise the Independent Shareholders on the terms of the Supplemental Agreement and the Cap in relation to the Transaction. The members of the Independent Board Committee do not have any material interests in the Transaction. CAF Securities has been appointed as the independent financial adviser to the Independent Board Committee and Independent Shareholders. The recommendation of the Independent Board Committee and the advice of CAF Securities are as set out on pages 12 to 20 of this circular.

The purpose of this circular is (i) to provide you with further information on the Supplemental Agreement and the Transaction (including the Cap); (ii) to set out the opinions and recommendations of the Independent Board Committee and CAF Securities; and (iii) to give you notice of the EGM at which the resolutions set out therein will be proposed. The EGM will be held on Friday, 16 December 2005 for the purpose of, among others, obtaining the approval from the Independent Shareholders in respect of the Supplemental Agreement and the Transaction (including the Cap) by way of poll. The Manager and its associates will abstain from voting at the EGM.

2. CONTINUING CONNECTED TRANSACTION

2.1 The Supplemental Agreement

The Supplemental Agreement contains terms set out below.

2.1.1 Parties:

The Company and the Manager

2.1.2 Date of the agreement:

8 November 2005

2.1.3 Terms

Amendment to the Renewal Agreement

The Company and the Manager entered into the Supplemental Agreement to amend (subject to approval of the Independent Shareholders) the terms of the Investment Management Agreement (as renewed by the Renewal Agreement).

LETTER FROM THE BOARD

Pursuant to the Supplemental Agreement, clause 3 of the Renewal Agreement will be deleted in its entirety so that the amount of fees payable to the Manager by the Company under the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) will be restored to be determined in accordance with the provisions and formula as set out in the Investment Management Agreement. The Company and the Manager agreed to set the maximum aggregate value of the fees payable to the Manager by the Company pursuant to the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) in any financial year during the Renewed Term at HK\$90 million. In the event that the Cap is exceeded, the Manager shall be entitled to, under the terms of the Supplemental Agreement, terminate its appointment under the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) forthwith by giving notice in writing to the Company.

The basis of the calculation of the fees (being management fee and performance fee) payable by the Company to the Manager remains unchanged throughout and is on the same basis as the ones provided under the Investment Management Agreement. Details of the basis of the calculation of such management fee and performance fee are set out below in the section headed "Consideration".

Other terms of the Investment Management Agreement

The Company and the Manager acknowledge that all the terms of the Investment Management Agreement (as renewed by the Renewal Agreement), save and except as amended by the Supplemental Agreement, will remain in full force and effect.

2.1.4 Consideration

Management Fee

The Company will pay a management fee to the Manager of 1.5% per annum (based on a 360-day year) of the Net Asset Value of the Company, calculated and accrued daily and payable in arrears to the Manager at the end of the calendar month.

Performance Fee

The Manager will also be entitled to receive a performance fee from the Company calculated by reference to the increase in the Net Asset Value per Share (as defined below) as at the relevant Performance Fee Valuation Day. The next Performance Fee Valuation Day will be 31 December 2005.

A performance fee will be payable to the Manager if the Net Asset Value per Share (as defined below), calculated on the relevant Performance Fee Valuation Day, is greater than the Base Net Asset Value per Share (as defined below). The fee payable shall be 12% of the appreciation in the Net Asset Value per Share (as defined below),

LETTER FROM THE BOARD

calculated as at the Valuation Point on the relevant Performance Fee Valuation Day over the Base Net Asset Value per Share (as defined below) for each Share then in issue, calculated as follows:

$$\frac{(A-B) \times C \times D}{E}$$

Where:

“A” is the Net Asset Value per Share, calculated on the relevant Performance Fee Valuation Day, before the deduction of any provision for the performance fee and the underwriting fee and provided that for the purpose of this calculation only the Net Asset Value shall be calculated by including any distribution which has been declared or paid during the Relevant Performance Period.

“B” is the Base Net Asset Value per Share which shall be the greater of the Net Asset Value per Share on the day dealing in Shares of the Company on the Stock Exchange commences and the highest value for “A” as at the Valuation Point for any preceding Relevant Performance Period in relation to which a performance fee was last calculated and paid (after deduction of all fees including any performance fee in respect of such preceding Relevant Performance Period).

“C” is the aggregate number of Shares in issue during the Relevant Performance Period, calculated by adding the total number of Shares in issue as at the Valuation Point on each Business Day of the Relevant Performance Period.

“D” is 12% or, subject to the approval of the Shareholders by ordinary resolution in general meeting (which approval shall, for the avoidance of doubt, only be required in connection with a proposal to increase such rate), such other percentage figure agreed from time to time between the Manager and the Directors.

“E” is the number of Business Days in the Relevant Performance Period.

The amount of fees (being management fees and performance fees) payable under the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) will be determined in accordance with the provisions and formula as set out above.

2.2 Reasons for the Transaction

The entering into the Supplemental Agreement will benefit the Shareholders as a whole as such amendment to the Investment Management Agreement (as renewed by the Renewal Agreement) will render fair compensation and enable the Manager to continue its services to the Company in accordance with the intention of the parties when establishing the Company as reflected in the Investment Management Agreement. The Transaction will ensure the continuation of smooth operation of the investment management activities of the Company.

LETTER FROM THE BOARD

The Directors (including the independent non-executive Directors) are of the view that the terms of the Supplemental Agreement are on normal commercial terms and are fair and reasonable and that the entering into of the Transaction is in the interests of the Company and the Shareholders as a whole and in the ordinary and usual course of business of the Company.

2.3 Information on the Manager

The Manager is a corporation licensed under the SFO to conduct Types 1, 4, 5 and 9 regulated activities in under the SFO.

2.4 Relationship with the Manager

The Manager is deemed a connected person of the Company under Rule 21.13 of the Listing Rules. In addition, Mr Cheah Cheng Hye, a director of the Company, is also a director and the single largest shareholder of the Manager holding 32.77%.

The Company confirms that, save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Manager and their respective ultimate beneficial owners are Independent Third Parties.

2.5 Historical Performance

The following table sets out the aggregate amount of the fees payable to the Manager by the Company under the Investment Management Agreement and/or the Investment Management Agreement (as renewed by the Renewal Agreement) (where applicable) since the listing of the Company on the Stock Exchange in April 2002:

	8 April 2002 to 31 December 2002 (audited) (HK\$'000)	Year ended 31 December 2003 (audited) (HK\$'000)	Year ended 31 December 2004 (audited) (HK\$'000)	Six-month period ended 30 June 2005 (unaudited) (HK\$'000)
Management fee	3,416	6,442	8,645	4,451
Performance fee	941	37,142	1,235	1,416 ^{*Note}
Total fees payable to the Manager	<u>4,357</u>	<u>43,584</u>	<u>9,880</u>	<u>5,867</u>

*Note: Please note that the Manager is entitled to receive a performance fee calculated by reference to the increase in the Net Asset Value per Share as at 31 December 2005. The performance fee is calculated and accrued daily and payable yearly in arrears.

LETTER FROM THE BOARD

2.6 Cap for the Continuing Connected Transaction

The Manager will continue to manage and supervise all of the Investments in accordance with the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement).

The Company proposes to set the maximum aggregate value of the fees payable to the Manager by the Company pursuant to the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) in any financial year during the Renewed Term at HK\$90 million. The Cap was determined based on the historical performance of the Company and with reference to an estimated annual growth rate of 50% based on the historical performance. Although investment returns is difficult to predict, the Company's current expectation is that the aggregate amount of the fees payable to the Manager will not exceed HK\$90 million per financial year for the rest of the term of the Investment Management Agreement. If during the Renewed Term, the aggregate value of the fees payable to the Manager by the Company thereunder exceeds the Cap, the Company will take the necessary steps to ensure compliance with the Listing Rules. **As stated in the section headed "Terms" above, the basis of the calculation of the fees (being management fee and performance fee) payable by the Company to the Manager remains unchanged throughout and is on the same basis as the ones provided under the Investment Management Agreement.**

2.7 Disclosure requirements and approval by the Independent Shareholders

The Manager is deemed a connected person of the Company under Rule 21.13 of the Listing Rules. In addition, Mr Cheah Cheng Hye, a director of the Company, is also a director and the single largest shareholder of the Manager holding 32.77%. As the aggregate value of the fees payable to the Manager by the Company under the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) in any financial year during the Renewed Term may exceed HK\$13 million or 2.5% of the market capitalisation of the Company, the Transaction constitutes a non-exempt continuing connected transaction of the Company under Rule 14A.35 of the Listing Rules. The Company will convene the EGM to seek Independent Shareholders' approval in respect of the Transaction (including the Cap). The Manager and its associates will abstain from voting at the EGM. If approved, the Transaction will be subject to the reporting requirements under Rules 14A.45 and 14A.46 of the Listing Rules and the annual review requirements under Rules 14A.37 and 14A.38 of the Listing Rules.

3. THE COMPANY

The Company is a close-ended investment company and is principally engaged in investments in listed and unlisted companies related to Greater China.

4. EGM

The notice convening the EGM is set out on pages 21 to 22 of this circular.

LETTER FROM THE BOARD

5. PROCEDURE TO DEMAND A POLL

The following paragraphs set out the procedure by which the Shareholders may demand a poll at a general meeting of the Company (including the EGM) pursuant to the Articles of Association.

According to article 87 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:

- (a) the chairman of such meeting; or
- (b) at least five Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or
- (c) a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Shareholders having the right to attend and vote at the meeting; or
- (d) a Shareholder or Shareholders present in person or in the case of a Shareholder being a corporation by its duly authorised representative or by proxy and holding Shares in the Company conferring a right to attend and 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 Shares conferring that right.

6. RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee as set out on page 12 of this circular which contains its recommendation to the Independent Shareholders on the terms of the Supplemental Agreement and the Cap in relation to the Transaction. Your attention is also drawn to the letter of advice received from CAF Securities, the independent financial adviser to the Independent Board Committee and the Independent Shareholders as set out on pages 13 to 20 of this circular which contains, among others, its advice to the Independent Board Committee and the Independent Shareholders in relation to the terms of the Supplemental Agreement and the Cap in relation to the Transaction, the casting of votes for or against the resolution approving the Supplemental Agreement and the Cap in relation to the Transaction by poll at the EGM as well as the principal factors and reasons considered by it in concluding its advice.

Your attention is also drawn to the general information as set out in the appendix of this circular.

Yours faithfully
So Chun Ki Louis
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

VALUE PARTNERS CHINA GREENCHIP FUND LIMITED

(incorporated as an exempted company in the Cayman Islands with limited liability)

(Stock Code: 1186)

30 November 2005

To the Independent Shareholders

Dear Sir and Madam

CONTINUING CONNECTED TRANSACTION

We refer to the circular issued by the Company to its shareholders and dated 30 November 2005 (the “**Circular**”) of which this letter forms part. Terms defined in the Circular have the same meanings when used in this letter unless the context otherwise requires.

Under the Listing Rules, the transactions contemplated under the Supplemental Agreement between the Company and the Manager constitute a non-exempt continuing connected transaction for the Company and are thus subject to the approval of the Independent Shareholders at the EGM.

We have been appointed by the Board to consider the terms of the Supplemental Agreement and to advise the Independent Shareholders in connection with the Transaction as to whether, in our opinion, their terms and the Cap are fair and reasonable so far as the Independent Shareholders are concerned. CAF Securities Company Limited (“**CAF Securities**”) has been appointed as the independent financial adviser to advise us in this respect.

We wish to draw your attention to the letter from the Board and the letter from CAF Securities as set out in the Circular. Having considered the principal factors and reasons considered by, and the advice of CAF Securities as set out in its letter of advice, we consider that the Supplemental Agreement is on normal commercial terms, and that the Transaction is in the best interest of the Company and the Shareholders as a whole. We also consider that the Transaction (including the Cap) are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to approve the Supplemental Agreement and the Cap at the EGM.

Yours faithfully,

For and on behalf of the Independent Board Committee

Independent non-executive Directors

Value Partners China Greenchip Fund Limited

LETTER FROM CAF SECURITIES

The following is the full text of the letter of advice from CAF Securities Company Limited, the independent financial adviser, prepared for the purpose of incorporation into this circular:



CAF Securities Company Limited
13th Floor, Fairmont House
8 Cotton Tree Drive
Central, Hong Kong

30 November 2005

To the Independent Board Committee and the Independent Shareholders

Value Partners China Greenchip Fund Limited
3301 Tower II
Lippo Centre
89 Queensway
Hong Kong

Dear Sirs,

CONTINUING CONNECTED TRANSACTION WITH VALUE PARTNERS LIMITED

INTRODUCTION

We refer to the announcements issued by the Company dated 1 April 2005 and 8 November 2005 respectively in respect of the continuing connected transaction with the Manager. Details of the Transaction are set out in the Letter from the Board contained in the circular to the Shareholders dated 30 November 2005 (the "Circular"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 8 November 2005, the Company entered into the Supplemental Agreement to amend the terms of the Investment Management Agreement (as renewed by the Renewal Agreement) whereby the amount of fees payable by the Company to the Manager thereunder will be restored to be determined in accordance with the provisions and formula as set out in the Investment Management Agreement.

As the aggregate value of the fees payable to the Manager by the Company under the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) in any financial year during the Renewed Term may exceed HK\$13 million or 2.5% of the market capitalisation of the Company, the Transaction constitutes a non-exempt continuing connected transaction of the Company under Rule 14A.35 of the Listing Rules. The Company will convene the EGM to seek Independent Shareholders' approval in respect of the Transaction (including the Cap). In view of the interest of the Manager and its associates (as defined in the Listing Rules) in the Transaction, the Manager and its associates will abstain from voting at the EGM on the resolution relating to the Transaction (including the Cap) and the votes to be taken at the EGM will be taken by poll.

LETTER FROM CAF SECURITIES

The Independent Board Committee comprising Mr. Li Aubrey Kwok Sing, Mr. Paul Marin Theil and Mr. Ng Ka Wai, Eric, all being independent non-executive Directors, has been established by the Company to advise the Independent Shareholders whether or not to vote in favor of the Transaction. The members of the Independent Board Committee do not have any material interest in the Transaction. We, CAF Securities, have been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Supplemental Agreement are fair and reasonable so far as the Shareholders are concerned and the Transaction is in the interests of the Company and the Shareholders as a whole.

BASIS OF OUR OPINION

In formulating our opinion and recommendations to the Independent Board Committee and the Independent Shareholders in relation to the Transaction, we have relied on the accuracy of the information, statements, opinion and representations contained or referred to in the Circular which have been provided to us by the Directors. We are not aware that any statements, information and representations made or referred to in the Circular, for which the Directors are solely and wholly responsible, were untrue and incorrect in all respects at the time they were made and continued to be so as at the date of dispatch of the Circular. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and we have been advised by the Directors that no material facts have been omitted from the information and representations provided in and referred to in the Circular.

We consider that we have received sufficient information to enable us to reach an informed view and to justify our reliance on the accuracy of the information and representations contained in the Circular and to provide a reasonable basis for our opinion. We have no reason to suspect that any material information has been withheld by the Company or by the Directors. We have not, however, conducted independent verification on the information supplied to us, nor have we carried out any independent investigation into the affairs of the Company.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our recommendation in respect of the terms of the Supplemental Agreement and the entering into of the Transaction, we have taken the following principal factors and reasons into consideration:

1. Background and reasons for the Transaction

The Company is a close-ended investment company and is principally engaged in investments in listed and unlisted companies related to Greater China. Since 28 March 2002, the Company has appointed the Manager to provide the Company with investment management services which are governed by the Investment Management Agreement. The initial appointment was for a fixed term of three years and subsequently, the Company and the Manager entered into the Renewal Agreement on 1 April 2005 to extend the Investment Management Agreement for 2 years commencing 4 April 2005 while the basis of the calculation of the management fee and performance fee payable by the Company to the Manager is on the same basis as the one set out in the Investment Management Agreement.

LETTER FROM CAF SECURITIES

The Manager is a corporation licensed under the SFO to conduct Types 1, 4, 5 and 9 regulated activities under the SFO. Mr. Cheah Cheng Hye, a director of the Company, is also a director and the single largest shareholder of the Manager holding 32.77%. As such, the Manager, being an associate (as defined by the Listing Rules) of Mr. Cheah, is a connected person under Rule 1.01 of the Listing Rules and is also regarded as such under Rule 21.13 of the Listing Rules. Accordingly, the entering into of the Investment Management Agreement, Renewal Agreement and Supplemental Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules for the Company.

Since the entering into of the Investment Management Agreement on 28 March 2002, the Renewal Agreement was then entered into on 1 April 2005. The Supplemental Agreement was entered into on 8 November 2005 to amend the annual limit of the aggregate fees payable by the Company to the Manager under the Investment Management Agreement (as renewed by the Renewal Agreement) from HK\$13 million to HK\$90 million. The basis of the calculation of the management fee and performance fee payable by the Company to the Manager remains unchanged throughout and is on the same basis as the ones provided under the Investment Management Agreement and the Renewal Agreement. Save and except as amended by the Supplement Agreement, all the terms of the Investment Management Agreement (as renewed by the Renewal Agreement) shall remain in full force and effect.

Pursuant to Rule 14A.35 of the Listing Rules, the Supplemental Agreement would require disclosure by way of announcement, preparation and dispatch of circulars to the Shareholders and prior approval of the Independent Shareholders by poll.

According to the Directors, the entering into of the Supplemental Agreement will benefit the Shareholders as a whole as such amendment to the Investment Management (as renewed by the Renewal Agreement) will render fair compensation and enable the Manager to continue its services to the Company in accordance with the intention of the parties when establishing the Company as reflected in the Investment Management Agreement. The Transaction will ensure the continuation of smooth operation of the investment management activities of the Company. The Directors (including the independent non-executive Directors) are of the view that the terms of the Supplemental Agreement are on normal commercial terms and are fair and reasonable and that the entering into of the Transaction is in the interests of the Company and the Shareholders as a whole and in the ordinary and usual course of business of the Company.

According to the Directors, the Net Asset Value of the Company was approximately HK\$300 million as at 8 April 2002, the date of listing and the commencement date of the Company's business. The Net Asset Value of the Company (before deduction of any provision for the performance fee and underwriting fee) as at 30 September 2005 was approximately HK\$675 million. This translates into a total growth rate of approximately 125% since the commencement of the investment business of the Company. In particular, the Net Asset Value of the Company (before deduction of any provision for the performance fee and underwriting fee) as at 31 December 2003 recorded over 100% growth to approximately HK\$617 million as compared to the Net Asset Value of approximately HK\$308 million as at 31 December 2002. The Manager achieved a performance which entitled it a performance fee of approximately HK\$37 million for the year ended 31 December 2003.

LETTER FROM CAF SECURITIES

We are of the view that the Transaction, which involves the provision of investment management services, is essential to the Company as an investment company. The services have been and are expected to be conducted in the ordinary and usual course of business of the Group.

Prior to the entering into of the Supplemental Agreement, the annual limit of the aggregate fees payable by the Company to the Manager under the Investment Management Agreement (as renewed by the Renewal Agreement) was HK\$13 million (under the terms of the Renewal Agreement) and in the event that such annual limit is exceeded, the Manager shall be entitled to terminate its appointment under the Investment Management Agreement (as renewed by the Renewal Agreement) forthwith by giving notice in writing to the Company.

According to the Supplemental Agreement, the annual limit of the fees payable to the Manager as a result of the provision of investment management services to the Company will be raised. Taken into account the historic growth rate of the Net Asset Value of the Company hence future potential management fees and performance fees payable to the Manager, the Manager will, therefore, be continued to be compensated in accordance with the terms as stipulated under the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement).

As such, we concur with the Directors' view that the entering into of the Supplemental Agreement will benefit the Shareholders as a whole as such amendment will render fair compensation and enable the Manager to continue its services to the Company in accordance with the intention of the parties when establishing the Company as reflected in the Investment Management Agreement. The Transaction will, therefore, ensure the continuation of smooth operation of the investment management activities of the Company.

2. The Consideration

The Company will pay a management fee to the Manager of 1.5% per annum (based on a 360-day year) of the Net Asset Value of the Company, calculated and accrued daily and payable in arrears to the Manager at the end of the calendar month. In addition, the Manager will also be entitled to receive a performance fee from the Company calculated by reference to the increase in the Net Asset Value per Share as at the relevant Performance Fee Valuation Day. The performance fee payable shall be 12% of the appreciation in the Net Asset Value per Share, calculated as at the Valuation Point on the relevant Performance Fee Valuation Day over the Base Net Asset Value per Share for each Share then in issue. Details of the calculation of the management fee and performance fee are set out in the section headed "Consideration" of the Letter from the Board.

As the basis of the calculation of the management fee and performance fee payable by the Company to the Manager remains unchanged throughout and is on the same basis as the ones provided under the Investment Management Agreement and the Renewal Agreement, we are, therefore, of the view that the interest of Independent Shareholders will not be affected and it is in the interest of the Company and Shareholders to enter into the Supplemental Agreement.

LETTER FROM CAF SECURITIES

To assess the fairness and reasonableness of the fee structures of the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) and for comparison purposes, we have reviewed the fee structures of several investment companies listed under Chapter 21 of the Listing Rules whose principal activities include investments in both listed and unlisted shares in Greater China and Asian countries, being similar to the Company (collectively the “Comparables”). A summary is as follows:

Company Name	Management Fee <i>(Note 1)</i>	Incentive/Performance Fee <i>(Note 1)</i>
The Company	1.5% per annum (based on a 360-day year) of the Net Asset Value of the Company, calculated and accrued daily and payable in arrears at the end of the calendar month	12% of the appreciation in the Net Asset Value per Share
Company A	1.5% per annum of the net asset value as at the day immediately preceding the last dealing day of the Stock Exchange in each calendar month	10% of the increase in the net asset value as at the last Business Day of each financial year
Company B	2.0% per annum of the net asset value of the group as at the end of the preceding month, calculated on the basis of the actual number of days in the relevant calendar month over a year of 365 days	15% of an increase in net asset value of the group over a financial year or period
Company C	2.5% per annum of the net asset value of the company as at the last dealing day on the Stock Exchange in each calendar month, calculated on the basis of the actual number of days in the relevant calendar month over a year of 365 days	15% of a surplus in the net asset value of the company over a financial year or period

Note 1: Based on the latest published annual report and/or announcement of the relevant company

Based on the above analysis, we note that the basis of determination of the management fee and performance fee is in line with the Comparables. On this basis, we are of the view that they are fair and reasonable.

LETTER FROM CAF SECURITIES

3. The Cap

Pursuant to the Supplemental Agreement, the Company proposes to set the maximum aggregate value of the fees payable to the Manager (including both the management fee and performance fee) by the Company in any financial year during the Renewed Term at HK\$90 million. The Directors are of the view that the return of future investment is difficult to predict. However, the Cap was determined based on historical performance of the Company and with reference to an estimated annual growth rate of 50% based on the historical performance. The Company's current expectation is that the aggregate amount of the fees payable to the Manager will not exceed HK\$90 million per financial year for the rest of the term of the Investment Management Agreement. If during the Renewed Term, the aggregate value of the fees payable to the Manager by the Company thereunder exceeds the Cap, the Company will take the necessary steps to ensure compliance with the Listing Rules.

The first table below sets out the aggregate amount of the fees payable to the Manager by the Company under the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) (where applicable) since the listing of the Company on the Stock Exchange in April 2002. In the second table, the Company has used its best estimate in determining the forecast estimates of the Net Asset Value of the Company (before deduction of any provision for the performance fee and underwriting fee), the Base Net Asset Value and the aggregate amount of the fees payable to the Manager.

Historical Performance

	8 April 2002 to 31 December 2002 (audited) (HK\$'000)	Year ended 31 December 2003 (audited) (HK\$'000)	Year ended 31 December 2004 (audited) (HK\$'000)	Six-month period ended 30 June 2005 (unaudited) (HK\$'000)
Management Fee	3,416	6,442	8,645	4,451
Performance Fee	941	37,142	1,235	1,416 ¹
Total fees payable to the Manager	<u>4,357</u>	<u>43,584</u>	<u>9,880</u>	<u>5,867</u>

Note 1 : Please note that the Manager is entitled to receive a performance fee calculated by reference to the increase in the Net Asset Value per Share as at 31 December 2005. The performance fee is calculated and accrued daily and payable yearly in arrears.

LETTER FROM CAF SECURITIES

Forecast estimate from the Company based on an annual growth rate of 50% of Net Asset Value

	Year ended 31 December 2005 (estimated) (HK\$'000)	Year ended 31 December 2006 (estimated) (HK\$'000)	Year ended 31 December 2007 (estimated) (HK\$'000)
Net Asset Value ^{1,2}	869,018	1,238,350	1,764,649
Base Net Asset Value ^{1,3}	825,567	1,176,432	1,676,416
Management Fee ^{1,5}	10,537	15,015	21,396
Performance Fee ^{1,4}	34,761	49,534	70,586
Total fees payable to the Manager	45,298	64,549	91,982

Note 1: For ease of calculating the potential management fee and performance fee based on the Company's estimate and the information available, the calculation of the management fee and performance fee were calculated on an annual basis rather than on a daily basis.

Note 2: Before deduction of any provision for performance fee and underwriting fee.

Note 3: After deduction of any provision for performance fee and underwriting fee.

Note 4: (Net Asset Value current year – Base Net Asset Value last year) * 12%. The Base Net Asset Value as at 31 December 2004 was approximately HK\$579 million.

Note 5: (Base Net Asset Value current year + Base Net Asset Value last year)/2 * 1.5%

As discussed in the paragraph "Background and reasons for the Transaction" above, the Net Asset Value of the Company (before deduction of any provision for the performance fee and underwriting fee) grew approximately 125% from approximately HK\$300 million since its commencement date on 8 April 2002 to approximately HK\$675 million as at 30 September 2005. In particular, the Net Asset Value of the Company (before deduction of any provision for the performance fee and underwriting fee) as at 31 December 2003 recorded over 100% growth to approximately HK\$617 million as compared to the Net Asset Value of approximately HK\$308 million as at 31 December 2002.

As the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement) is an ongoing contract, the Directors are also of the view that it would be impractical and unduly onerous on the part of the Company, if the Company is required to comply fully with the disclosure and/or Independent Shareholders' approval requirements set out in Chapter 14A of the Listing Rules on each occasion where fees payable by the Company to the Manager exceed the relevant thresholds.

LETTER FROM CAF SECURITIES

Taken into consideration of the above, the Company has, therefore, assumed a 50% annual return on its Net Asset Value (before deduction of any provision for the performance fee and underwriting fee) to calculate its future potential management fee and performance fee. Nevertheless, the basis of the calculation of the management fee and performance fee to the Manager has always been on the same basis as stated in the Investment Management Agreement ever since the Company first appointed the Manager on 28 March 2002.

As the annual return rate is made with reference to and in line with the historical performance of the Company; the basis of the calculation of the management fee and performance fee has always remained unchanged; and the set up of the Cap is to render fair compensation to the Manager while minimising any possible interruptions on the execution of the Investment Management Agreement (as renewed by the Renewal Agreement and amended by the Supplemental Agreement), we are of the view that the basis for determining the Cap for the Transaction is fair and reasonable so far as the Company and Shareholders are concerned.

4. Listing Rules requirements

The Directors confirm that the Transaction will continue to be subject to certain conditions. These conditions include, inter alia, that the independent non-executive Directors shall review annually during the Renewed Term the Transaction and confirm in the Company's next and successive annual reports that it is in compliance with the relevant governing conditions. The auditors of the Company shall also review the Transaction annually during the Renewed Term and provide the Board with a letter in respect of each relevant financial year during which the Transaction was conducted and confirm that it is in compliance with certain governing conditions. We are of the view that the aforesaid conditions may ensure that appropriate measures will be taken by the Company to govern itself in conducting the Transaction, thereby, safeguarding the interest of the Independent Shareholders.

RECOMMENDATION

Taking into consideration of the above principal factors and reasons, we are of the view that the terms of the Supplemental Agreement are fair and reasonable so far as the Shareholders are concerned and the Transaction is in the interests of the Company and Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Transaction.

Yours faithfully,
For and on behalf of
CAF Securities Company Limited
Michael Ng
Executive Director
Head of Corporate Finance

NOTICE OF EGM

VALUE PARTNERS CHINA GREENCHIP FUND LIMITED

(incorporated as an exempted company in the Cayman Islands with limited liability)

(Stock Code: 1186)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Value Partners China Greenchip Fund Limited (the “**Company**”) will be held at 3301 Tower II, Lippo Centre, 89 Queensway, Hong Kong on Friday, 16 December 2005 at 3:00 p.m. for the purpose of considering and if thought fit, passing the following resolutions as ordinary resolutions of the Company:

1. “**THAT** (a) The supplemental agreement entered into between the Company and Value Partners Limited (the “**Manager**”) on 8 November 2005 (the “**Supplemental Agreement**”) (a copy of which is tabled at the meeting and marked “**A**” and initialled by the chairman of the meeting for identification purpose) to amend the terms of the investment management agreement dated 28 March 2002 entered into between the Company and the Manager (as renewed by the agreement entered into between the Company and the Manager on 1 April 2005) and the entering into of the Supplemental Agreement be and are hereby approved; and

(b) the directors of the Company be and are hereby authorised to take all actions and carry out execution of all documents in accordance with their personal opinions under necessary, required and appropriate conditions, in order to implement and validate anything related to the Supplemental Agreement.”
2. “**THAT** the cap amount of HK\$90 million, being the maximum aggregate value for the fees payable to the Manager by the Company under the Supplemental Agreement in any one financial year during the two years commencing on 4 April 2005 be and is hereby approved.”

On behalf of the Board

So Chun Ki Louis

Chairman

Hong Kong, 30 November 2005

Notes:

1. Votes of the shareholders of the Company to approve the resolutions above will be taken by poll.
2. A member of the Company entitled to attend and vote at the EGM convened by the above notice shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and the proxy so appointed shall have the same right as the member to speak at the EGM. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member of the Company may appoint any number of proxies to attend and vote on his behalf at the EGM provided that if more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

NOTICE OF EGM

3. Where there are joint holders of any share, any one of such joint holders may vote at the EGM, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto; but if more than one of such joint holders are present at the EGM, whether in person or proxy, the more senior shall alone be entitled to vote in respect of the relevant joint holding, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
4. In order to be valid, the form of proxy together with any power of attorney or other authority under which it is signed or a notarially certified copy of such power of authority, must be deposited with the Company's branch share registrar in Hong Kong, Tengis Limited at G/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time for holding the EGM, or any adjournment thereof.
5. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. Value Partners Limited and its associates (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) will abstain from voting on both resolutions number 1 and 2 as set out in the notice convening the EGM.

As at the date of this notice, Mr Cheah Cheng Hye, Mr Teng Ngiek Lian and Mr Ngan Wai Wah Mr So Chun Ki Louis, are the executive directors of the Company, Mr Yeung Kin Sing is the non-executive director of the Company and Mr Li Aubrey Kwok Sing, Mr Paul Marin Theil and Mr Ng Ka Wai, Eric are the independent non-executive directors of the Company.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the 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 there are no other facts the omission of which would make any statement herein misleading.

DISCLOSURE OF INTERESTS**(a) Directors' and Chief Executive's Interests and Short Positions**

- (i) As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were (a) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), (b) required pursuant to section 352 of the SFO, to be entered into the register referred to therein, or (c) which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange were as follows:

Name of Director	Position held	Number of Shares held	Capacity	% of shareholding
Mr. Cheah Cheng Hye	Long	200,000 ¹	Interest of controlled corporation	0.65%

Note:

- These shares are registered in the name of the Manager. The Manager is 32.77% beneficially owned by Mr Cheah. Mr Cheah is therefore deemed to be interested in these Shares under the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests and short positions in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were (a) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), (b) required pursuant to section 352 of the SFO, to be entered into the register referred to therein, or (c) which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Stock Exchange.

- (ii) None of the other Directors or proposed Directors has any direct or indirect interest in any assets which have since 31 December 2004 (being the date to which the latest published audited financial statements of the Company were made up) been acquired or disposed of by or leased to the Company, or are proposed to be acquired or disposed of by or leased to the Company.
- (iii) Save as disclosed in this circular, none of the Directors is materially interested in any contract or arrangement entered into by the Company subsisting at the date of this circular which is significant in relation to the business of the Company.

(b) Interests of Substantial Shareholders

So far as is known to any Director or chief executive of the Company, as at the Latest Practicable Date, the following person, other than a Director or chief executive of the Company, has an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

Name of Shareholder	Position held	Number of Shares held	Capacity	% of shareholding
Deutsche Bank Aktiengesellschaft	Long position	6,940,000 (Note 1)	Security interest	21.64
QVT Financial GP LLC	Long position	9,090,000 (Note 2)	Interests of controlled corporation	29.66
QVT Financial LP	Long position	9,090,000	Investment manager	29.66
QVT Associates GP LLC	Long position	7,754,559 (Note 3)	Interests of controlled corporation	25.30
QVT Fund LP	Long position	7,754,559	Beneficial owner	25.30
Stichting Shell Pensioenfond	Long position	4,000,000	Beneficial owner	13.05
Sarasin Investmentfonds SICAV-Emergingsar/ Emergingsar-Asia	Long position	3,069,500	Beneficial owner	10.01

Note 1: Deutsche Bank Aktiengesellschaft is deemed to be interested in the Shares through its controlled corporation, Deutsche Bank AG London Branch, which has a security interest in the shares.

Note 2: QVT Financial GP LLC is deemed to be interested in the Shares through its controlled corporation, QVT Financial LP.

Note 3: QVT Associates GP LLC is deemed to be interested in the Shares through its controlled corporation, QVT Fund LP.

Save as disclosed above, the Directors and the chief executive of the Company are not aware that there are any other persons (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

None of the Directors nor any proposed Director is a director or employee of a company which has an interest or short position in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

COMPETING INTERESTS

None of the Directors is interested in any business which competes or is likely to compete, either directly or indirectly, with businesses of the Company.

SERVICE CONTRACTS

None of the Directors has entered into or is proposing to enter into a service contract with the Company which may not be expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation).

MATERIAL CHANGE

The Directors confirm that, as at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Company since 31 December 2004 (being the date to which the latest published audited financial statements of the Company were made up).

EXPERT

- (a) The following is the qualification of CAF Securities which has given its opinion or advice which is contained in this circular:

Name	Qualification
CAF Securities	a corporation licensed under the SFO to conduct types 1 and 6 regulated activities under the SFO

- (b) CAF Securities does not have any shareholding, direct or indirect, in the Company or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in the Company.
- (c) CAF Securities has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they are included.
- (d) CAF Securities does not have any interest, direct or indirect, in any assets which have been acquired or disposed of by or leased to the Company, or which are proposed to be acquired or disposed of by or leased to the Company since 31 December 2004 (being the date to which the latest published audited financial statements of the Company were made up).
- (e) The letter and recommendation given by CAF Securities are given as of the date of this circular for incorporation herein.

MISCELLANEOUS

The English version of this circular shall prevail over the Chinese text.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business in Hong Kong of the Company at 3301 Tower II, Lippo Centre, 89 Queensway, Hong Kong during normal business hours for a period of 14 days from the date of this circular:

- (a) the Articles of Association;
- (b) the letter from the Independent Board Committee, the text of which is set out on page 12 of this circular;
- (c) the letter from CAF Securities, the text of which is set out on pages 13 to 20 of this circular;
- (d) the written consent of CAF Securities; and
- (e) the Investment Management Agreement, the Renewal Agreement and the Supplemental Agreement.