

Value Partners China Greenchip Fund Limited

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

INCOME STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2005

	<i>Note</i>	2005 <i>HK\$</i>	2004 <i>HK\$</i>
Income			
Dividends		20,900,619	13,069,004
Interest on financial assets at fair value			
through profit or loss		576,374	80,970
Interest on bank deposits		3,767,993	1,144,331
Other income		23,941	432,051
Net realised gain on financial assets at fair value			
through profit or loss		33,688,073	119,068,829
Net unrealised gain/(loss) on financial assets			
at fair value through profit or loss		20,422,201	(108,630,278)
		<u>79,379,201</u>	<u>25,164,907</u>
Total investment income			
Expenses			
Management fee	8(a)	9,273,355	8,645,063
Performance fee	8(b)	13,194,921	1,234,508
Underwriting fee	8(c)	3,298,730	308,627
Custodian, transaction handling and			
fund services fees	8(d)	1,036,703	1,045,821
Directors' fees	8(e)	421,855	320,000
Legal and professional fees		816,133	258,144
Auditors' remuneration		215,900	231,366
Transaction costs		1,598,821	–
Other operating expenses		909,233	550,701
Net foreign exchange loss		721,091	587,411
		<u>31,486,742</u>	<u>13,181,641</u>
Total operating expenses			
Profit before tax		47,892,459	11,983,266
Income tax credit	9	51,161,390	–
Withholding tax on dividends and			
other investment income	9	(20,193)	(12,651)
		<u>99,033,656</u>	<u>11,970,615</u>
Profit for the year			
Basic earnings per share	10	<u>3.23</u>	<u>0.39</u>

The notes on pages 29 to 48 are an integral part of these financial statements.