
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, 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, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

VALUE PARTNERS CHINA GREENCHIP FUND LIMITED

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

(Stock Code: 1186)

**RE-ELECTION OF DIRECTORS
AND
PROPOSED CONVERSION OF THE COMPANY
INTO AN OPEN-ENDED MUTUAL FUND CORPORATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Value Partners China Greenchip Fund Limited to be held at 3301 Tower II, Lippo Centre, 89 Queensway, Hong Kong on Tuesday, 30 May 2006 at 3:00 p.m. is set out on pages 10 to 12 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk).

If you do not propose to attend the meeting, 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 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting should they so wish.

28 April 2006

CONTENTS

	<i>Page</i>
Definitions	1
 Letter from the Board	
1. Introduction	2
2. Re-election of Directors	2
3. Proposed Conversion of the Company into an Open-ended Mutual Fund Corporation	3
4. Annual General Meeting and Proxy Arrangement	3
5. Recommendation	4
6. General information	4
 Appendix I – Procedure by which the Shareholders may demand a poll at a general meeting pursuant to the Current Articles of Association	
	5
 Appendix II – Details of Directors proposed to be re-elected at the Annual General Meeting	
	6
 Notice of the Annual General Meeting and Proposed Conversion of the Company into an Open-ended Mutual Fund Corporation	
	10

DEFINITIONS

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

“Annual General Meeting”	an annual general meeting of the Company to be held at 3301 Tower II, Lippo Centre, 89 Queensway, Hong Kong on Tuesday, 30 May 2006 at 3:00 p.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 10 to 12 of this circular or any adjournment thereof;
“Board”	the board of Directors;
“Company”	Value Partners China Greenchip Fund Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange;
“Current Articles of Association”	the current articles of association adopted by the Company on 27 March 2002 with amendment made on 29 April 2005;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its Subsidiaries;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	24 April 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Share(s)”	ordinary share(s) of HK\$0.1 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“SFC”	The Securities and Futures Commission;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“HK\$”	Hong Kong dollars.

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, Franco

Non-Executive Director:

Yeung Kin Sing, William

Independent Non-Executive Directors:

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

Registered Office:

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

Principal Place of Business:

3301 Tower II
Lippo Centre
89 Queensway
Hong Kong

28 April 2006

To Shareholders

Dear Sir/Madam,

**RE-ELECTION OF DIRECTORS
AND
PROPOSED CONVERSION OF THE COMPANY
INTO AN OPEN-ENDED MUTUAL FUND CORPORATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the Annual General Meeting for the re-election of Directors and the proposed conversion of the Company into an open-ended mutual fund corporation.

2. RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board comprises Mr. So Chun Ki Louis, Mr. Cheah Cheng Hye, Mr. Teng Ngiek Lian and Mr. Ngan Wai Wah, Franco as executive Directors, Mr. Yeung Kin Sing, William as non-executive Director and Mr. Li Aubrey Kwok Sing, Mr. Paul Marin Theil and Mr. Ng Ka Wai, Eric as independent non-executive Directors.

LETTER FROM THE BOARD

According to the Current Articles of Association, Mr. Yeung Kin Sing, William, Mr. Li Aubrey Kwok Sing, Mr. Paul Marin Theil and Mr. Ng Ka Wai, Eric will retire by rotation at the Annual General Meeting and being eligible, offer themselves for re-election.

Brief biographical details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

3. PROPOSED CONVERSION OF THE COMPANY INTO AN OPEN-ENDED MUTUAL FUND CORPORATION

The life of the Company will expire in April 2007 as contemplated under article 192 of the Current Articles of Association, the Board is considering, as soon as practical, the conversion of the Company into an open-ended mutual fund corporation and at the same time seeking authorisation from the SFC as an open-ended mutual fund corporation under the SFC's Code on Unit Trust and Mutual Funds. As a part of such conversion and application of authorisation, the Shares may have to be delisted as the Company may no longer satisfy the listing requirements as an investment company as defined in Chapter 21 of the Listing Rules. A separate circular will be despatched to the Shareholders in respect of the details of the conversion and delisting, where appropriate. Further details of the conversion and delisting will be announced by the Company at the appropriate time.

The Board believes that the conversion of the Company into an open-ended SFC authorised mutual fund corporation would eliminate the market price to net asset value discount of the Company; allow subscription and redemption; and extend the life of the Company indefinitely. If authorised by the SFC, the Company will also be exempted from Hong Kong profits tax.

EFFECT OF RESOLUTION NO.4

If resolution no. 4 is approved by the Shareholders of the Company in the Annual General Meeting, it would empower the Board to commence the proceedings it considers appropriate to convert the Company into an open-ended mutual fund corporation and to consult, if required, the Stock Exchange in respect of delisting of the Shares of par value HK\$0.10 each in the share capital of the Company on the Stock Exchange ("Delisting") and any proposal made by the Board regarding Delisting would have to comply with the requirements of the Listing Rules and other applicable laws, including, without limitation, the provisions stipulated in rule 6.12 of the Listing Rules which requires, amongst other things, prior approval of the Shareholders of the Company. For the avoidance of doubt, the passing of resolution no.4 will not authorise the Board to delist the Shares of the Company on the Stock Exchange.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 10 to 12 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, inter alia, the re-election of directors and the proposed conversion of the Company into an open-ended mutual fund corporation.

LETTER FROM THE BOARD

A form of proxy for use at the Annual General Meeting is also enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange (www.hkex.com.hk). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Branch Share Registrar in Hong Kong, Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude shareholders from attending and voting at the Annual General Meeting if they so wish.

5. RECOMMENDATION

The Directors consider that the proposed re-election of Directors and the conversion of the Company into an open-ended mutual fund corporation are in the interests of the Company and the Group and the Shareholders. Accordingly, the Directors recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

6. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix I (Procedure by which the Shareholders may demand a poll at a general meeting pursuant to the Current Articles of Association) and Appendix II (Details of Directors proposed to be re-elected at the Annual General Meeting) to this circular.

Yours faithfully,
So Chun Ki Louis
Chairman of the Board

APPENDIX I**PROCEDURE BY WHICH THE SHAREHOLDERS MAY
DEMAND A POLL AT A GENERAL MEETING PURSUANT
TO THE CURRENT ARTICLES OF ASSOCIATION**

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

According to article 87 of the Current 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.

Pursuant to the Listing Rules, the details of the Directors who will retire at the Annual General Meeting according to the Current Articles of Association and will be proposed to be re-elected at the Annual General Meeting are provided below.

Mr. Yeung Kin Sing, William, aged 43, a non-executive Director and audit committee member

Experience

Mr. Yeung is the Executive Deputy General Manager at China Euro Securities Limited (“CESL”), the first joint venture securities company in China after its accession into WTO. The foreign shareholder of CESL is CLSA Asia Pacific Markets. Mr. Yeung has previously been a practising solicitor in Hong Kong focusing on corporate finance and capital markets transactions. He was also a practising accountant in the UK focusing on audit and taxation services for the insurance and entertainment industries, covering many multi-national corporations. Mr. Yeung holds a BSc degree in Computing and Accountancy from the University of East Anglia in the UK, is a qualified solicitor in Hong Kong and England and Wales as well as a chartered accountant in England and Wales. He is also a chartered tax advisor in the UK. Mr. Yeung has not held any directorships in any other listed public companies in the last three years.

Length of service and emoluments

A service contract has been entered into between Mr. Yeung and the Company in respect of Mr. Yeung’s appointment expiring on the date of the forthcoming annual general meeting of the Company and subject to re-election at that meeting, it will be renewed to the date of the next annual general meeting. Mr. Yeung is entitled to receive an annual remuneration of HK\$100,000.00 payable yearly, which is determined by reference to the Company’s standard scale of emoluments for directors which is determined by director’s duties and responsibilities.

Relationships

Other than the relationship arising his being a non-executive Director, Mr. Yeung does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interest in Shares

As at the Latest Practical Date, Mr. Yeung is not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Matters that need to be brought to the attention of the Shareholders

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning Mr. Yeung that need to be brought to the attention of the Shareholders of the Company.

Mr Li Aubrey Kwok Sing, aged 56, an independent non-executive Director and audit committee member

Experience

Mr Li is a director of Management Capital Limited, a Hong Kong-based financial advisory and direct investment firm, and has over 30 years of experience in merchant banking and commercial banking. He is also a non-executive director of ABC Communications (Holdings) Limited, The Bank of East Asia, Limited, Cafe de Coral Holdings Limited, China Everbright International Limited, CNPC (Hong Kong) Limited, Kowloon Development Company Limited and Pokfulam Development Company Limited; and the non-executive Chairman of Atlantis Asian Recovery Fund plc. Mr Li has a Master of Business Administration from Columbia University and a Bachelor of Science in Civil Engineering from Brown University. Save as disclosed, Mr. Li did not hold any directorships in any other listed public companies in the last three years.

Length of service and emoluments

A service contract has been entered into between Mr Li and the Company in respect of Mr Li's appointment expiring on the date of forthcoming annual general meeting of the Company and subject to re-election at that meeting, it will be renewed to the date of the next annual general meeting. Mr Li is entitled to receive an annual remuneration of HK\$100,000.00 payable yearly, which is determined by reference to the Company's standard scale of emoluments for directors which is determined by director's duties and responsibilities.

Relationships

Other than the relationship arising his being an independent non-executive Director, Mr Li does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interest in Shares

As at the Latest Practical Date, Mr Li is not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Matters that need to be brought to the attention of the Shareholders

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning Mr. Li that need to be brought to the attention of the Shareholders of the Company.

Mr Ng Ka Wai, aged 40, an independent non-executive Director and audit committee member*Experience*

Mr Ng is currently the Managing Director of Convoy Asset Management Limited. Prior to joining the Convoy Group, he was the Vice President and Chief Marketing Officer of Skandia-BSAM Life Insurance Company based in Beijing, and was the Chief Operating Officer of Manulife Asset Management (Hong Kong) Limited before that. Mr Ng had also served as a director of Manulife Global Funds, a public company listed in Luxembourg. Mr Ng holds a MBA in Total Quality Management from Newport University, USA. Save as disclosed, Mr. Ng did not hold any directorships in any other listed public companies in the last three years.

Length of service and emoluments

A service contract has been entered into between Mr Ng and the Company in respect of Mr Ng's appointment expiring on the date of the forthcoming annual general meeting of the Company and subject to re-election at that meeting, it will be renewed to the date of the next annual general meeting. Mr Ng is entitled to receive an annual remuneration of HK\$100,000.00 payable yearly, which is determined by reference to the Company's standard scale of emoluments for directors which is determined by director's duties and responsibilities.

Relationships

Other than the relationship arising his being an independent non-executive Director, Mr Ng does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interest in Shares

As at the Latest Practical Date, Mr Ng is not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Matters that need to be brought to the attention of the Shareholders

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning Mr. Ng that need to be brought to the attention of the Shareholders of the Company.

Mr. Paul M. Theil, aged 52, an independent non-executive Director and audit committee member*Experience*

Mr Theil has over 15 years of experience in the finance and investment industry. He is a partner in the private equity investment activities of an international investment bank. Mr Theil holds J.D. and M.B.A. degrees from the Harvard Law and Business Schools and B.A. and M.A. degrees from Yale University. Mr. Theil has not held any directorships in any other listed public companies in the last three years.

Length of service and emoluments

A service contract has been entered into between Mr Theil and the Company in respect of Mr Theil's appointment expiring on the date of the forthcoming annual general meeting of the Company and subject to re-election at that meeting, it will be renewed to the date of the next annual general meeting. Mr Theil is entitled to receive an annual remuneration of HK\$100,000.00 payable yearly, which is determined by reference to the Company's standard scale of emoluments for directors which is determined by director's duties and responsibilities.

Relationships

Other than the relationship arising his being an independent non-executive Director, Mr Theil does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the Listing Rules), or controlling shareholders (as defined in the Listing Rules) of the Company.

Interest in Shares

As at the Latest Practical Date, Mr Theil is not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Matters that need to be brought to the attention of the Shareholders

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning Mr. Theil that need to be brought to the attention of the Shareholders of the Company.

**NOTICE OF THE ANNUAL GENERAL MEETING AND PROPOSED CONVERSION OF THE
COMPANY INTO AN OPEN-ENDED MUTUAL FUND CORPORATION**

VALUE PARTNERS CHINA GREENCHIP FUND LIMITED

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

(Stock Code: 1186)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Value Partners China Greenchip Fund Limited (the “Company”) will be held at 3301 Tower II, Lippo Centre, 89 Queensway, Hong Kong on Tuesday, 30 May 2006 at 3:00 p.m. for the following purposes:

1. To receive and consider the Audited Financial Statements and the Reports of the Directors and of the Auditors for the year ended 31 December 2005;
2. To re-elect Directors and authorise the Board of Directors to fix Directors’ remuneration;
3. To re-appoint Auditors and authorise the Board of Directors to fix Auditors’ remuneration;
4. To approve and consider, if thought fit, pass with or without amendments the following resolution as an Ordinary Resolution:

“THAT

- (a) the board of directors of the Company (the “Board”) be authorised to commence the proceedings it considers appropriate to convert the Company into an open-ended mutual fund corporation and to seek authorisation from the Securities and Futures Commission of Hong Kong (“SFC”) so that the Company will become an open-ended investment company authorised under SFC’s Code on Unit Trust and Mutual Funds;
- (b) subject to the passing of the resolution stipulated in (a) above, the life of the Company be extended for a further two years in accordance with article 192 of the articles of association of the Company (“Articles”) in the event that the matters contemplated under Resolution (a) above cannot be completed on or before the expiration of the initial term of five years as contemplated under article 192 of the Articles; and
- (c) the Board be and is hereby authorised to do all acts and things and execute all deeds, documents and other writings deemed by it to be necessary or expedient in order to give effect to Resolutions (a) and (b) above, including, without limitation, consulting The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in respect of delisting of shares of par value HK\$0.10 each in the share capital of the Company on the Stock Exchange.”

**NOTICE OF THE ANNUAL GENERAL MEETING AND PROPOSED CONVERSION OF THE
COMPANY INTO AN OPEN-ENDED MUTUAL FUND CORPORATION**

PROPOSED CONVERSION OF THE COMPANY INTO AN OPEN-ENDED MUTUAL FUND CORPORATION

The life of the Company will expire in April 2007 as contemplated under article 192 of the articles of association of the Company (“Articles”), the board of directors of the Company (“Board”) is considering, as soon as practical, the conversion of the Company into an open-ended mutual fund corporation and at the same time seeking authorisation from the Securities and Futures Commission (“SFC”) as an open-ended mutual fund corporation under the SFC’s Code on Unit Trust and Mutual Funds. As a part of such conversion and application of authorisation, the shares of the Company may have to be delisted as the Company may no longer satisfy the listing requirements as an investment company as defined in Chapter 21 of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”). A separate circular will be despatched to the shareholders of the Company in respect of the details of the conversion and delisting, where appropriate. Further details of the conversion and delisting will be announced by the Company at the appropriate time.

The Board believes that the conversion of the Company into an open-ended SFC authorised mutual fund corporation would eliminate the market price to net asset value discount of the Company; allow subscription and redemption; and extend the life of the Company indefinitely. If authorised by the SFC, the Company will also be exempted from Hong Kong profits tax.

EFFECT OF RESOLUTION NO.4

If resolution no. 4 is approved by the shareholders of the Company in the Annual General Meeting, it would empower the Board to commence the proceedings it considers appropriate to convert the Company into an open-ended mutual fund corporation and to consult, if required, the Stock Exchange in respect of delisting of the shares of par value HK\$0.10 each in the share capital of the Company on the Stock Exchange (“Delisting”) and any proposal made by the Board regarding Delisting would have to comply with the requirements of the Listing Rules and other applicable laws, including, without limitation, the provisions stipulated in rule 6.12 of the Listing Rules which requires, amongst other things, prior approval of the shareholders of the Company. For the avoidance of doubt, the passing of resolution no.4 will not authorise the Board to delist the Shares of the Company on the Stock Exchange.

On behalf of the Board
So Chun Ki Louis
Chairman

Hong Kong, 27 April 2006

NOTICE OF THE ANNUAL GENERAL MEETING AND PROPOSED CONVERSION OF THE COMPANY INTO AN OPEN-ENDED MUTUAL FUND CORPORATION

Notes:

1. A member of the Company who is entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company but must attend in person to represent the member. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf. 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.
2. 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 certified copy of such power of authority, must be deposited with the Company's Branch Share Registrar in Hong Kong, Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the Meeting, or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.

As at the date of this notice, Mr So Chun Ki Louis, Mr Cheah Cheng Hye, Mr Teng Ngiek Lian and Mr Ngan Wai Wah, Franco are the executive directors of the Company, Mr Yeung Kin Sing, William 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.