

Value Partners China Greenchip Fund Limited

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

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2004

	2004	2003
	<i>HK\$</i>	<i>HK\$</i>
Operating activities		
Net income for the year	11,970,615	261,702,520
Adjustments for:		
Dividends	(13,056,353)	(16,169,164)
Interest on investments and bank deposits	(1,225,301)	(1,023,291)
Net realised gain on sale of available-for-sale securities and derivative financial instruments	(119,068,829)	(160,435,453)
Net change in unrealised appreciation/depreciation in value of available-for-sale securities and derivative financial instruments	<u>108,630,278</u>	<u>(196,297,769)</u>
Operating loss before working capital changes	(12,749,590)	(112,223,157)
Decrease in other receivables	384	-
(Decrease)/increase in management fee payable, performance fee payable and, accruals and other payables	<u>(45,161,859)</u>	<u>102,276,370</u>
Cash used in operations	(57,911,065)	(9,946,787)
Dividends received	14,381,062	15,627,064
Interest on investments and bank deposits received	<u>1,068,652</u>	<u>1,187,007</u>
Net cash (outflow)/inflow from operating activities	<u>(42,461,351)</u>	<u>6,867,284</u>
Investing activities		
Payments on purchase of investments	(545,105,500)	(409,094,268)
Proceeds from sale of investments	<u>646,887,168</u>	<u>484,432,617</u>
Net cash inflow from investing activities	<u>101,781,668</u>	<u>75,338,349</u>
Net increase in cash and cash equivalents	59,320,317	82,205,633
Cash and cash equivalents at beginning of the year	<u>96,917,542</u>	<u>14,711,909</u>
Cash and cash equivalents at end of the year	<u>156,237,859</u>	<u>96,917,542</u>
Analysis of balance of cash and cash equivalents		
Bank balances	<u>156,237,859</u>	<u>96,917,542</u>