Value Partners
Investing through discipline

CIRCULAR TO THE SHAREHOLDERS OF
VALUE PARTNERS CHINA GREENCHIP FUND LIMITED
(the "Company")

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, you should seek independent professional financial and/or legal advice.

If you have sold or transferred all of your Shares in the Company, you should pass this document, together with the relevant accompanying documents, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was made for transmission to the purchaser or transferee.

The directors of the Company ("**Directors**") and Value Partners Limited ("**Manager**") accept full responsibility for the accuracy of the information contained in this Circular as at the date of issue 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.

Unless otherwise stated herein, capitalised terms in this Circular shall have the same meanings as defined in the explanatory memorandum of the Company dated 25 June 2011, as amended by the addenda dated 26 August 2011, 25 June 2012, 6 July 2012, 10 July 2013, 19 September 2013, 16 May 2014, 10 October 2014 and 22 October 2015 ("**Explanatory Memorandum**").

12 July 2016

Dear Shareholders,

Meeting to Propose an Ordinary Resolution to Increase the Authorised Share Capital of the Company and Special Resolutions to Amend the Memorandum and Articles of Association

We refer to the notice dated 6 June 2016 ("**Notice**"), whereby you have been notified that the Company had issued Shares in excess of its authorised share capital ("**Incident**"), which has been rectified as described in the Notice.

1. Proposed Increase of Authorised Share Capital

As at 22 June 2016, the number of Shares issued is 180,912,593.41, which is approximately 90.46% of the number of authorised Shares available for issue.

In order to accommodate prospective future subscriptions, the Company intends to increase its authorised share capital to HK$200,000,000 divided into 2,000,000,000 Shares of a nominal or par value of HK$0.10 each ("**Proposed Increase of Authorised Share Capital**") in accordance with the Company's Memorandum and Articles of Association ("**M&A**").

Pursuant to the Articles, the Proposed Increase of Authorised Share Capital is required to be approved by an ordinary resolution of the Shareholders.

The Manager is of the opinion that the Proposed Increase of Authorised Share Capital is in the best interests of the Company as a whole.

2. Amendments to Memorandum and Articles of Association

The Company intends to amend the M&A to reflect the Proposed Increase of Authorised Share Capital ("**Proposed M&A Amendments**").

Details of the Proposed M&A Amendments are set out in the Schedule annexed to this Circular.

The Manager is of the opinion that the Proposed M&A Amendments are in the best interests of the Company as a whole.

3. Extraordinary General Meeting ("EGM")

3.1 Ordinary Resolution – Proposed Increase of Authorised Share Capital

Pursuant to Article 70(b) of the Articles, the Company may from time to time by ordinary resolution increase its authorised share capital.

3.2 Special Resolution – Proposed M&A Amendments

Pursuant to Article 191 of the Articles, subject to the Companies Law (as amended) of the Cayman Islands, the Company may at any time and from time to time by special resolution alter or amend the M&A in whole or in part.

3.3 Notice of Extraordinary General Meeting

In order to obtain Shareholders' approval for the Proposed Increase of Authorised Share Capital and Proposed M&A Amendments, an EGM of the Company will be convened. Only those Shareholders whose names appear on the register of members of the Company at the close of business on 5 August 2016 are entitled to attend and vote at the EGM.

You will find enclosed a notice of the EGM (the "**EGM Notice**") which will be held at 9th Floor, Nexxus Building, 41 Connaught Road Central, Hong Kong at 9:30 a.m. (Hong Kong time) on 19 August 2016.

If you are not able to attend in person, you may appoint a proxy to attend and vote on your behalf at the EGM and at any adjourned meeting to be held thereafter by completing the enclosed proxy form (the "**Proxy Form**") in accordance with the instructions thereon and returning it to *17/F, Tower 2, HSBC Centre, 1 Sham Mong Road, Kowloon, Hong Kong. Attention: Transfer Agency* as soon as possible and, in any event not later than 5:00 p.m. (Hong Kong time) on 16 August 2016 (i.e. not less than 48 hours before the time appointed for holding the meeting). A proxy is not required to be a Shareholder.

3.4 Quorum and Voting Arrangements

The EGM can only proceed where there is a quorum. A quorum will be met if Shareholders present in person or by proxy hold in aggregate at least 10% of all Shares in issue for an ordinary resolution or at least 25% of all Shares in issue for a special resolution. In order to meet the quorum requirement, Shareholders are strongly encouraged to submit a duly completed and signed Proxy Form.

If a quorum is not present within 30 minutes from the time appointed for the EGM, the EGM will be adjourned to such other day (being not less than 15 days thereafter) and at such time or place as shall be decided by the Board of the Directors (the "**Adjourned Meeting**") and if

at such Adjourned Meeting a quorum is not present within 30 minutes from the time appointed for holding the Adjourned Meeting, the Shareholder or Shareholders present in person or by proxy (whatever the number of Shares held by him) shall be a quorum. Notice of the Adjourned Meeting shall be given in the same manner as for an original meeting provided that such notice shall state that the Shareholders present at the Adjourned Meeting whatever their number and the number of Shares held by them, will form a quorum.

The resolutions set out in the enclosed EGM Notice will need to be duly passed respectively as an ordinary resolution and special resolutions by the Shareholders. An ordinary resolution means a resolution passed by a simple majority of the votes of those Shareholders as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorised representatives, or where proxies are allowed, by proxy, at a duly convened meeting of the Company. A special resolution means a resolution passed by not less than three-fourths of the votes of those Shareholders as, being entitled to do so, vote in person or, in the case of corporations by their duly authorised representatives, or where proxies are allowed, by proxy at a duly convened meeting of the Company.

According to Article 87 of the Articles, at any general meeting a resolution put to the vote of the meeting shall be decided on poll. According to Article 92(a) of the Articles, at any general meeting every Shareholder who is present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall have one vote for each Share registered in his name in the register of members of the Company. A Shareholder entitled to more than one vote is under no obligation to cast all his votes in the same way.

3.5 Effective Date

If the resolutions concerning the Proposed Increase of Authorised Share Capital and Proposed M&A Amendments are approved by the Shareholders at the EGM, they will be effective immediately.

A notice of the result of the EGM (or the result of the Adjourned Meeting), whether or not the ordinary resolution and special resolutions are passed, and the effective date of the Proposed Increase of Authorised Share Capital and Proposed M&A Amendments (if approved), will be given to Shareholders as soon as possible.

In the unlikely event the proposed ordinary resolution is not passed at the EGM, the Proposed Increase of Authorised Share Capital cannot be implemented. The Company in such circumstance may only issue the Shares up to its current authorised share capital (being HK$20,000,000 divided into 200,000,000 Shares of a nominal or par value of HK$0.10 each).

In the unlikely event the proposed ordinary resolution and special resolutions are not passed at the EGM, the Proposed M&A Amendments cannot be implemented. The Company in such circumstance may only issue the Shares up to its current authorised share capital (being HK$20,000,000 divided into 200,000,000 Shares of a nominal or par value of HK$0.10 each).

In the unlikely event the proposed ordinary resolution is passed, but the special resolutions are not passed at the EGM, the Proposed M&A Amendments cannot be implemented. Based on legal advice received from Cayman counsel, the proposed ordinary resolution, if passed at the EGM, will be valid and binding even if the special resolutions are not passed at the EGM and the Company would in such circumstance be able to issue Shares up to the increased authorised share capital (being HK$200,000,000 divided into 2,000,000,000 Shares of a nominal or par value of HK$0.10 each).

3.6 Directors' Recommendation

The Directors consider that the Proposed Increase of Authorised Share Capital and Proposed M&A Amendments are in the best interests of the Shareholders of the Company as a whole and recommend that you either attend the EGM and vote in favour of the resolutions to be proposed at the EGM, or appoint a proxy or, in the absence of appointment of a proxy, the chairman of the EGM to vote on your behalf in favour of the resolutions to be proposed at the EGM.

4. Costs and Expenses

The expenses, costs, fees and charges incurred in connection with the Proposed Increase of Authorised Share Capital as well as the Proposed M&A Amendments (including the holding of the EGM and any Adjourned Meeting) will be borne by the Manager.

5. Documents Available

Copies of the following documents are available for inspection at the offices of the Manager at 9th Floor, Nexxus Building, 41 Connaught Road Central, Hong Kong during normal business hours on any week day (Saturdays and public holidays excepted):

(A) the M&A;
(B) the agreements referred to in the sub-section headed "Material contracts" of the Explanatory Memorandum; and
(C) the latest annual report and accounts of the Company prepared by the Auditor.

Copies of the latest Explanatory Memorandum, Product Key Facts Statement and latest annual report and accounts of the Company may be obtained from the Manager free of charge.

6. Enquiry

If you have any questions relating to the above, please contact our Fund Investor Services Team at (852) 2143 0688 or email us at FIS@vp.com.hk. We would like to take this opportunity to thank you for your valuable support and we look forward to be of continued service to you.

VALUE PARTNERS CHINA GREENCHIP FUND LIMITED

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Schedule

Proposed Amendments to the Memorandum and Articles of Association of the Company

Please find below the relevant extracts from the Memorandum and Articles of Association of the Company highlighting the proposed amendments thereto.

Legend:
Insertion
~~Deletion~~

Memorandum of Association

1. Amendment to Clause 5 of the Memorandum of Association of the Company:

The share capital of the Company is HK$~~20,000,000~~200,000,000 divided into ~~200,000,000~~ 2,000,000,000 shares of a nominal or par value of HK$0.10 each with power for the Company insofar as is permitted by law, to redeem or purchase any of its shares and to increase or reduce the said capital subject to the provisions of the Companies Law ~~(2004 Revision)~~ and the Articles of Association and to issue any part of its capital, whether original, redeemed or increased with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that unless the conditions of issue shall otherwise expressly declare every issue of shares whether declared to be preference or otherwise shall be subject to the powers hereinbefore contained.

Articles of Association

2. Amendment to Article 3 of the Articles of Association of the Company:

The capital of the Company at the date of the adoption of these Articles is HK$~~20,000,000~~200,000,000 divided into ~~200,000,000~~2,000,000,000 shares of HK$0.10 each.