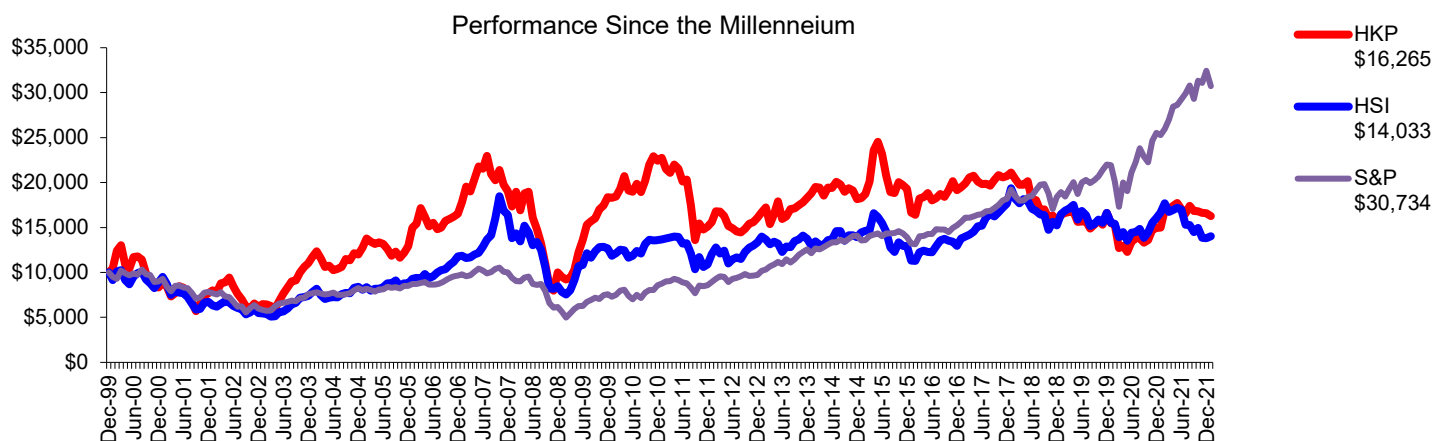
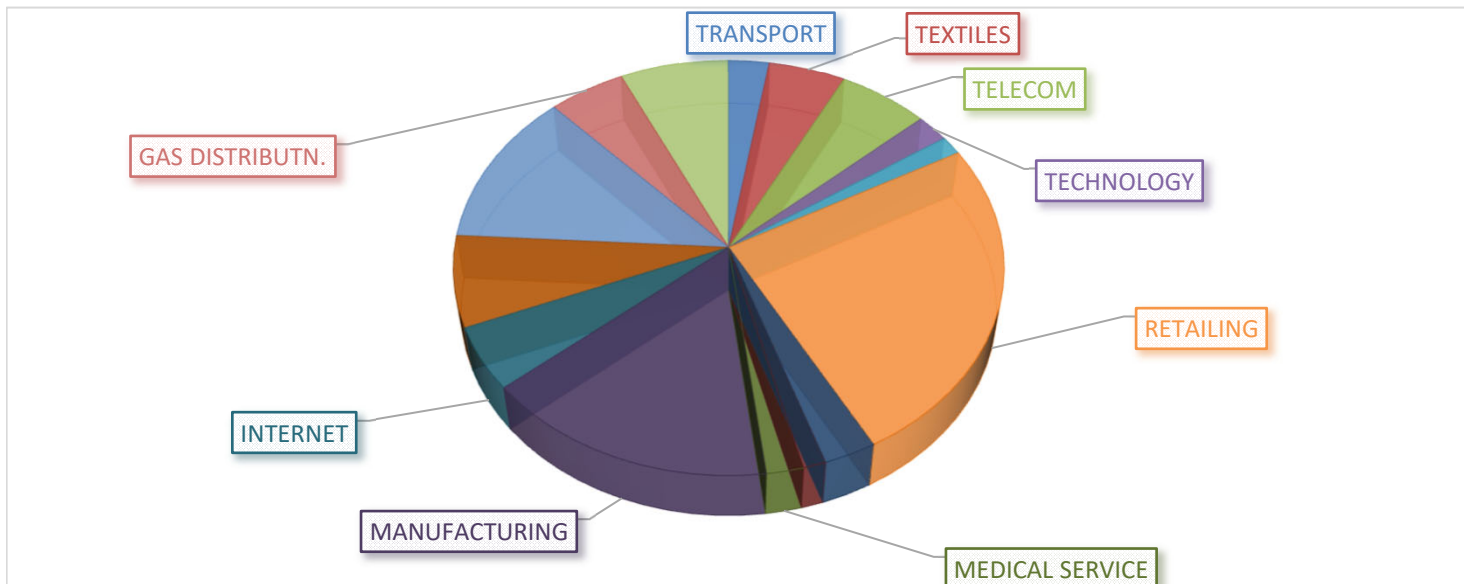


VALUE OF A \$10,000 INVESTMENT PERFORMANCE SINCE 2000



PERFORMANCE

	Since Jan 1, 2000			Since April 1, 1995				
	Cumulative	Annualized		Cumulative	Annualized			
Hong Kong Partners L.P.*	62.6%	1.8%		226.1%	4.5%			
Hang Seng Index**	40.3%	1.3%		172.5%	3.8%			
S&P 500***	207.3%	4.3%		851.9%	8.8%			
	3 months	6 months	YTD	1 year	3 year	5 year	10 year	15 year
Hong Kong Partners L.P.*	-3.8%	-8.1%	-3.5%	-5.6%	-3.7%	-19.5%	-4.9%	3.9%
Hang Seng Index**	-3.2%	-12.2%	-2.9%	-24.2%	-20.7%	-4.3%	4.8%	42.7%
Hang Seng Small Cap Index	-8.8%	-15.5%	-4.6%	-19.5%	-7.7%	-22.0%	-35.5%	-35.5%



TOP FIVE HOLDING (24.33 % of total value)

1. GIORDANO INT'L Retail and Franchise Stores of Basic and Fashion Clothing.
2. TRULY INT'L LCD manufacturer in China since 1979.
3. SANDS CHINA LTD Macau mass market casino operator.
4. NETDRAGON Internet Gaming & Education production company.
5. TRACKER FUND OF HONG HONG Kong ETF

Disclaimer

The information presented herein does not constitute, or form part of, any offer for sale or invitation to subscribe for or solicitation of any offer to buy or to subscribe for any securities or investment products arranged or managed by South Ocean Management Ltd., nor shall it, or any part of it, form the basis of, or be relied on in connection with any contract or commitment whatsoever. No representation or warranty, express or implied, is made to the accuracy, completeness, or thoroughness of the contents itself. Past performance is no guarantee of future returns. The investment fund is not authorized by the Hong Kong Securities and Futures Commission.

South Ocean Management has focused on China-centric growth stocks in Hong Kong since our 1992 founding. Our formula is long-term investing in undervalued stocks using an intrinsic value methodology similar to Warren Buffett.

Our proprietary system demands that we incorporate a wide margin of safety when buying Chinese owned/managed companies, which helps lower risks in this part of the world.

We screen for undervalued stocks and seek 15% annualized returns.

Overview: Our core investment strategy is to focus on China growth through quality companies listed in Hong Kong .

What we do:

We invest in Hong Kong-listed companies that generate profits from operations in China.

We avoid investing directly in China as comparable companies listed there have different accounting standards and agendas. We invest in companies that are transparent, with dynamic business models, in the more level playing fields of Hong Kong.

Small/mid caps in Hong Kong tend to be under-researched and under-owned relative to large caps. We concentrate our portfolios in 15-30 positions, usually with no more than 20% in one stock.

Our open mandate allows for short selling, leverage and derivatives, but no activity in these trading formats to-date. We aren't trying to 'hug' an index with our 3-5 year time horizons, but have retreated to cash when there are few bargains available.

The South Ocean advantage:

South Ocean has been located in Hong Kong since 1992. We believe hands-on, active management (not peripheral analysis), is paramount to success in this volatile market.

We make frequent visits to the Hong Kong offices and management of all our holdings, often travelling to their business operations in China. This additional effort is critical for maximizing returns in our portfolios and is a major differentiating factor of South Ocean Management Ltd investment.

Our Delaware LP has been open to US and non-US investors since 1993, which is administered by Apex Ltd with custody at DBS Bank Ltd.

Fund Details

Advisory Company:

South Ocean Management Ltd

Management Company:

South Ocean Management Ltd

Fund Size: US\$3.1 mn

Inception Date: Jul-1993

Domicile:

Delaware

Base Currency: USD

Leverage: No

Hurdle Rate: No

High Water Mark: Yes

Minimum Investment Size:

US\$150,000 Dealing Monthly

Redemption Notification

Period: 1 month written

Management Fee: (%pa) 1.5

Performance Fee: (%pa) 15.0

Administrator: APEX

Auditor:

Deloitte Touche Tohmatsu

Legal Advisor

Dechert, LLP in U.S.

South Ocean Management Ltd
GPO Box 1191 Central Hong Kong
email: info@south-ocean.com
Tel: (852) 25210332
Fax: (852)25302546

***Hong Kong Partners LP risk disclaimer:**

- Hong Kong Partners LP (The "Fund") primarily invests in the Hong Kong equity market with a Greater China focus.
- The Fund invests in China-related companies which involve certain risks not typically associated with investment in more developed markets, such as greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund is also subject to concentration risk due to its concentration in Hong Kong, particularly China-related companies. The value of the Fund can be extremely volatile and could go down substantially within a short period of time. It is possible that a substantial value of your investment could be lost.
- You should not make investment decision on the basis of this material alone. Please read the explanatory private placement memorandum for details and risk factors.

****Index Descriptions:** The Hang Seng Indexes are a widely recognized capitalization-weighted indexes that measures the performance of the three largest capitalization sectors of the Hong Kong stock market in descending order. The Hang Seng Index measures the largest 52 market capitalized listed companies in Hong Kong's stock market. The Hang Seng Mid Cap Index represents the next 193 largest capitalized listed companies, the Hang Seng Small Cap Index represents the next 187 largest capitalized listed companies in Hong Kong.

*****The S&P 500 Index** is a market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market. It measures the movement of the largest issues. Standard and Poor's chooses the member companies for the 500 based on market size, liquidity, and industry group representation. Included are the stocks of industrial, financial, utility, and transportation companies.

The MSCI HK Small Cap Index is a free float-adjusted market cap weighted index designed to measure the performance of small cap equity securities in the bottom 15% of equity market capitalization in Hong Kong. With 69 constituents, the index represents approximately 14% of the free float-adjusted market capitalization of the Hong Kong equity universe.

The Hong Kong Partners LP (HKP) is benchmark agnostic and its corresponding portfolio may have significant noncorrelation to any index. The portfolios may invest in all sectors (within and/or on other stock markets) and the composition of securities in the portfolio may change periodically depending on market conditions at the time. Securities in the portfolio will not match those in any index.

Index returns are generally provided as an overall market indicator. You cannot invest directly in an index. Although reinvestment of dividend and interest payments is assumed, no expenses are netted against an index's returns. Index performance information was furnished by sources deemed reliable and is believed to be accurate, however, no warranty or representation is made as to the accuracy thereof and the information is subject to correction. Before investing you should carefully consider the Partnership's investment objectives, risks, charges and expenses. This and other information are in the prospectus, a copy for Accredited Investors may be obtained by inquiring to info@south-ocean.com. Please read the prospectus carefully before you invest.

The principal risks of investing in HKP: Equity Securities Risk. The value of the equity securities the Fund holds may fall due to general market and economic conditions.

Foreign Securities Risk. Investments in the securities of foreign issuers involve risks beyond those associated with investments in U.S. securities.

Industrials Sector Risk. Companies in the industrials sector may be adversely affected by changes in government regulation, world events, economic conditions, environmental damages, product liability claims and exchange rates. Consumer Discretionary Risk. Companies in this sector may be adversely impacted by changes in domestic/international economies, exchange/interest rates, social trends and consumer preferences. Information

Technology Sector Risk. Information technology companies face intense competition, both domestically and internationally, which may have an adverse effect on profit margins. Detailed information regarding the specific risks of Hong Kong Partners LP can be found in the prospectus. Additional risks of investing in HKP include equity, market, management and non-diversification risks, as well as fluctuations in market value and NAV. An investment in a private limited partnership is subject to risks and you can lose money on your investment in the limited partnership.

There can be no assurance that HKP will achieve its investment objective. The LP's portfolio is more volatile than broad market averages. Shares of HKP cannot be bought or sold publicly, there is no active market in the Units and there are restrictions imposed on Limited Partnership unit transfers. Partnership redemptions are handled by Authorized Administrators of the Partnership.