
Important: This document is important and requires your immediate attention. If you have any doubt about the contents of this document, you should seek independent professional financial advice.

Unless otherwise stated in this notice, capitalised terms used herein shall have the same meaning as defined in the Explanatory Memorandum of the Value Partners Greater China High Yield Income Fund (the "**Fund**") dated January 2020, the First Addendum dated 15 June 2020 and the Second Addendum dated 30 April 2021 (collectively, the "**Explanatory Memorandum**").

The Directors of the Fund and Value Partners Hong Kong Limited, the Manager of the Fund (the "**Manager**"), accept full responsibility for the accuracy of the information contained in this notice 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 in this notice misleading as at the date of issuance.

29 September 2021

**NOTICE TO SHAREHOLDERS –
VALUE PARTNERS GREATER CHINA HIGH YIELD INCOME FUND**

Dear Shareholders,

We are writing to inform you of the following changes to the Fund effective from 1 November 2021 ("**Effective Date**"), unless otherwise specified.

A. Change of Directors of the Fund

With effect from 30 July 2021, Ms. Wong Ngai Sze has resigned as a Director of the Fund, and Ms. Lam Mei Kuen Winnie and Mr. Kee Chong Li Kwong Wing have been appointed as Directors of the Fund with effect from the same date.

B. Change of Provider of Registered and Principal Office Address and Company Secretarial Services of the Fund

With effect from 30 September 2021, the provider of the registered office of the Fund will be changed to Maples Corporate Services Limited and the disclosure of the registered office of the Fund will be changed as follows:

Registered Office **c/o Maples Corporate Services Limited**
P O Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

With effect from 31 December 2021, the provider of the principal office of the Fund will be changed to Maples Fund Services (Cayman) Limited and accordingly, the principal office of the Fund will be changed as follows:

Principal Office **c/o Maples Fund Services (Cayman) Limited**
P.O. Box 1093
Boundary Hall
Cricket Square
Grand Cayman
KY1-1102
Cayman Islands

With effect from 30 September 2021, HSBC Trustee (Cayman) Limited will cease to provide company secretarial services to the Fund and such services will be provided by Maples Secretaries (Cayman) Limited instead.

For the avoidance of doubt, HSBC Trustee (Cayman) Limited will continue to be the Administrator of the Fund. There will be no changes to the other functions currently carried out by HSBC Trustee (Cayman) Limited for the Fund.

C. Update of Selling Restrictions for Various Jurisdictions

The selling restrictions in the Explanatory Memorandum will be amended. The existing selling restriction for People's Republic of China will be updated and additional selling restrictions for Australia, Brunei, India, Indonesia, Malaysia, New Zealand, Philippines, Taiwan, Thailand and the United Arab Emirates will be included in the Explanatory Memorandum.

The selling restrictions in the Explanatory Memorandum describe restrictions on offers and sales of the Participating Shares in particular jurisdictions however the jurisdictions mentioned are not exhaustive and the distribution of the Explanatory Memorandum and the offers and sales of Participating Shares in other jurisdictions not specified in the Explanatory Memorandum may be prohibited or restricted. No persons receiving a copy of the Explanatory Memorandum or the Subscription Application in any such jurisdiction may treat the Explanatory Memorandum or such Subscription Application as constituting an invitation to them to subscribe for Participating Shares, nor should they in any event use the Explanatory Memorandum or such Subscription Application, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such Subscription Application could lawfully be used by them without compliance with any registration or other legal requirements.

The Explanatory Memorandum or the Subscription Application does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

It is the responsibility of any persons in possession of the Explanatory Memorandum and any persons wishing to apply for Participating Shares pursuant to the Explanatory Memorandum to inform themselves of, and to observe, all laws and regulations applicable to them.

Potential applicants for Participating Shares should inform themselves as to (a) the possible tax consequences; (b) the legal requirements; and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their incorporation, citizenship, residence or domicile and which might be relevant to the subscription, holding or disposal of Participating Shares.

D. Investment Policies Enhancement

With effect from the Effective Date, the investment policy of the Fund will be enhanced to provide that the aggregate value of the Fund's investments in securities issued by a single entity (other than a collective investment scheme) may not exceed 10% of its latest Net Asset Value provided that the total Net Asset Value of securities (other than units in any unit trust or shares in any mutual fund corporation or any other collective investment scheme (including those managed by the Manager or its Connected Persons)) held in the issuing entities in each of which it invests more than 5% of its Net Asset Value is less than 40% of its latest Net Asset Value.

Currently, the Fund may invest in commodity-based investments, depository receipts, units in any unit trust or shares in any mutual fund corporation or any other collective investment scheme (including those managed by the Manager or its Connected Persons), currencies and interest rates and may hold cash, short term deposits, and other money instruments (as

considered appropriate by the Manager). The Fund does not intend to invest more than 10% of its latest Net Asset Value in such instruments.

In addition, in order to improve the efficiency and flexibility of the Fund's investments, with effect from the Effective Date, the relevant investment policy of the Fund will be changed such that:

- (a) the Fund may invest up to 20% of its latest Net Asset Value in units in any unit trust or shares in any mutual fund corporation or any other collective investment scheme (including those managed by the Manager or its Connected Persons); and
- (b) the Fund's portfolio may also temporarily include cash and cash equivalents, up to 100% of its latest Net Asset Value, under exceptional circumstances (such as in the event of market crashes, major crisis or to mitigate the risk of potential sharp reversals and falls in the equity or bond markets) for cash flow management or for reducing market exposure.

For the avoidance of doubt, there is no change to the limit of the Fund's investment in commodity-based investments, depository receipts, currencies and interest rates instruments (i.e. the Fund does not intend to invest more than 10% of its latest Net Asset Value in such instruments).

The above changes will not result in any material change or increase in the overall risk profile of the Fund, but, instead aim to better manage the risk of the Fund in the event of exceptional circumstances as described above.

E. Implications of Changes

Other than as outlined above, the Manager does not expect the changes described in this notice will result in:

- (a) any material changes to the features or overall risk profile of the Fund;
- (b) any changes to the operation or manner in which the Fund is being managed;
- (c) any material adverse impact on the Shareholders' rights or interests; and
- (d) any changes to the fee levels or costs in managing the Fund following the implementation of these changes.

F. Availability of Updated Documents

The Explanatory Memorandum will be amended by way of a third addendum ("**Third Addendum**") to reflect the above changes, updates to reflect Cayman Islands regulatory disclosure requirements and other consequential, ancillary and miscellaneous changes and updates and drafting and editorial amendments.

Please also note that the Explanatory Memorandum will be amended to provide that for cleared funds to be received in Hong Kong before 6.00 p.m. on the closing date of the Initial Offer Period or any subsequent Payment Deadline, payment must be made for value at least one business day in New York (for US dollars) or one Business Day in Hong Kong (for Hong Kong dollars) preceding such close or Payment Deadline, as the case may be.

The Explanatory Memorandum together with the Third Addendum and the updated Product Key Facts Statement of the Fund will be available on or around the Effective Date on the Manager's website at www.valuepartners-group.com (this website has not been reviewed by the SFC), and at the Manager's office, free of charge, during normal business hours on any day (except on Saturdays, Sundays and public holidays) at 43rd Floor, The Center, 99 Queen's Road Central, Hong Kong.

G. Enquiries

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 Hong Kong Limited