

VALUE PARTNERS CLASSIC FUND

2025

ANNUAL
REPORT

For the year ended
31 December 2025



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VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

GENERAL INFORMATION

Manager

Value Partners Hong Kong Limited
43rd Floor, The Center
99 Queen's Road Central
Hong Kong

Directors of the Manager

Mr. Ho Man Kei, Norman
Ms. Ng Chuk Fa
(appointed on 16 May 2025)
Mr. Ching Wing Tat
(appointed on 6 February 2026)
Mr. Luo Jing
(appointed on 6 February 2026)
Mr. Jiang Ron
(appointed on 6 February 2026)
Mr. So Chun Ki Louis
(resigned on 16 May 2025)
Mr. Ip Ho Wah Gordon
*(appointed on 16 May 2025 and
resigned on 6 February 2026)*

Trustee, Administrator and Custodian

HSBC Institutional Trust Services
(Asia) Limited
1 Queen's Road Central
Hong Kong

Registrar

HSBC Trustee (Cayman) Limited

Principal address:

Strathvale House
Ground Floor, 90 North Church Street
George Town
Grand Cayman
KY1-1102
Cayman Islands

Registered address:

P.O. Box 309
Ugland House
George Town
Grand Cayman
KY1-1104
Cayman Islands

Legal Advisor

Deacons
5th Floor, Alexandra House
18 Chater Road, Central
Hong Kong

Auditor

PricewaterhouseCoopers
22nd Floor, Prince's Building
10 Chater Road, Central
Hong Kong

Information available from:

Value Partners Hong Kong Limited
43rd Floor, The Center
99 Queen's Road Central
Hong Kong

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Website : www.valuepartners-group.com

MANAGER'S REPORT

Market review

The Value Partners Classic Fund ("the Fund") delivered a strong performance in 2025, gaining over 37% for the full year, comfortably outperforming the MSCI Golden Dragon Index, which rose around 34% over the same period. By the end of the year, the Fund had remained consistently ranked in the first quartile among its peers across multiple time horizons, reflecting both effective stock selection and disciplined risk management throughout a volatile yet opportunity-rich year.

Market conditions evolved materially over the year. Early 2025 was characterized by cautious sentiment toward China amid trade uncertainties, as well as softened domestic consumption and the property-sector. However, improving earnings visibility, selective policy support, and a gradual stabilization in macro indicators supported a market recovery from the second quarter onward. In the second half, global liquidity conditions, easing expectations around U.S. monetary policy, and renewed enthusiasm for artificial intelligence (AI) themes further underpinned risk appetite.

Key Portfolio Changes

Portfolio adjustments in 2025 reflected a measured re-risking as market conditions improved, while maintaining adherence to valuation discipline. The Fund gradually increased exposure to healthcare and information technology, especially in the second half of the year, viewing both as core long-term structural growth themes aligned with China's industrial upgrading and innovation agenda. Within technology, the Fund emphasized AI-related supply chains across Taiwan and China A-shares, while remaining mindful of position limits in several mega-cap names, such as TSMC.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

MANAGER'S REPORT (Continued)

Key Portfolio Changes (Continued)

In contrast, the Fund reduced exposure to property developers, fully exiting the sector by late 2025, reflecting a cautious outlook on the pace of recovery in China's real estate market. Meanwhile, consumer staples and utilities, which are traditionally lower-beta segments, were reduced in the first half to fund higher-conviction opportunities, though selective re-allocation toward consumption-related names resumed later in the year as valuations normalized. Overall, cash levels were kept modest, allowing flexibility to capitalize on market consolidation phases.

Outlook

Structurally speaking, the Fund remains aligned with themes highlighted under China's 15th Five-Year Plan, particularly AI-related technology, advanced manufacturing, healthcare, and selective materials, with an expectation of the policymakers' prioritization for economic stabilization. Taiwan equities are expected to continue delivering solid earnings growth, though elevated expectations warrant prudent position management. While broad-based valuation expansion may moderate in 2026, the Fund believes opportunities will increasingly be driven by stock selection rather than beta, an environment well suited to its bottom-up, valuation-focused investment approach.

MANAGER'S REPORT (Continued)

Value Partners Classic Fund – NAV as at 31 December 2025

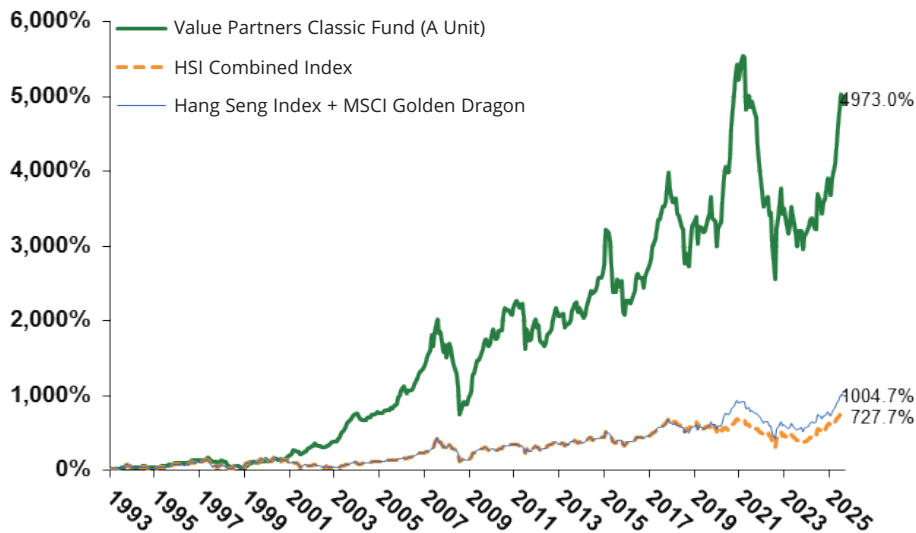
Classes	NAV per unit
A Units	USD507.30
B Units	USD218.86
C Units AUD Hedged	AUD18.95
C Units CAD Hedged	CAD19.75
C Units HKD Hedged	HKD17.29
C Units MDis HKD	HKD10.41
C Units MDis RMB	RMB10.90
C Units MDis RMB Hedged	RMB9.65
C Units MDis USD	USD10.45
C Units NZD Hedged	NZD20.26
C Units RMB	CNH19.67
C Units RMB Hedged	RMB17.48
C Units USD	USD27.38
C Units HKD ^B (for reference only)	HKD213.1246
D Units USD	USD12.04
D Units AUD Hedged	AUD11.90
D Units CAD Hedged	CAD11.86
D Units HKD	HKD12.06
D Units MDis HKD	HKD11.81
D Units MDis RMB Hedged	CNH11.62
D Units MDis USD	USD11.78
D Units NZD Hedged	NZD11.86
D Units RMB Hedged	RMB11.71
P Units RMB Hedged	RMB12.9312
P Units RMB Unhedged	RMB14.4144
P Units HKD	HKD10.0046
P Units USD	USD11.0104
X Units	USD16.63
Z Units	USD15.01

VALUE PARTNERS CLASSIC FUND
(A Hong Kong Unit Trust)

MANAGER’S REPORT (Continued)

β *Investors should note that the base currency of the Fund is in USD. The HKD equivalent NAV per unit is for reference only and should not be used for subscription or redemption purpose. Conversion to the base currency of the Fund will normally take place at the prevailing rate (as determined by the Fund’s Trustee or Custodian) on the corresponding fund dealing day. Investors should be aware of possible risks resulting from fluctuations of exchange rates against USD.*

Performance since launch
From 1 April 1993 to 31 December 2025



MANAGER'S REPORT (Continued)

Performance since launch (Continued)

From 1 April 1993 to 31 December 2025 (Continued)

HSI Combined Index refers to Hang Seng Index (Price Return) which was used till 31 Dec 2004, thereafter it is the Hang Seng Index (Total Return). Hang Seng Index (Total Return) takes into account of dividend reinvestment whereas Hang Seng Index (Price Return) does not.

* *Hang Seng Index + MSCI Golden Dragon Index refers to Hang Seng Index (Price Return) since fund inception till 31 Dec-2004, thereafter it is the Hang Seng Index (Total Return) up to 30 Sep 2017. Hang Seng Index (Total Return) includes dividend reinvestment whereas Hang Seng Index (Price Return) does not take into account reinvestment of dividends. With effect from 1 Oct 2017, it is the MSCI Golden Dragon Index (Total Net Return), which takes into account of dividend reinvestment after deduction of withholding tax.*

Fund performance mentioned is referred to Value Partners Classic Fund "A" Unit. All performance figures are sourced from HSBC Institutional Trust Services (Asia) Limited and Bloomberg (Data computed in US\$ terms on NAV-to-NAV basis with dividends reinvested) as at 31 December 2025. Performance data is net of all fees. All indices are for reference only.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

STATEMENT OF RESPONSIBILITIES OF THE MANAGER AND THE TRUSTEE

Manager's responsibilities

The Manager, Value Partners Hong Kong Limited, is required by the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong (the "Code") and the Trust Deed dated 26 October 1993, as further amended and/or supplemented from time to time ("Trust Deed") and Deed of retirement and appointment of Manager dated 17 August 2015 to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of Value Partners Classic Fund (the "Fund") at the end of that period and of the transactions for the period then ended. In preparing these financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are prudent and reasonable; and
- prepare the financial statements on the basis that the Fund will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Fund in accordance with the Trust Deed and Deed of retirement and appointment of Manager dated 17 August 2015 and take reasonable steps for the prevention and detection of fraud and other irregularities.

Trustee's responsibilities

The Trustee, HSBC Institutional Trust Services (Asia) Limited, is required to:

- ensure that the Fund is managed by the Manager in accordance with the Trust Deed and Deed of retirement and appointment of Manager dated 17 August 2015 and that the investment and borrowing powers are complied with;
- satisfy itself that sufficient accounting and other records have been maintained so as to enable the financial statements to be prepared.
- safeguard the property of the Fund and rights attaching thereto; and
- report to the unitholders for each annual accounting period on the conduct of the Manager in the management of the Fund.

TRUSTEE'S REPORT

We hereby confirm that, in our opinion, the Manager, Value Partners Hong Kong Limited has, in all material respects, managed Value Partners Classic Fund in accordance with the provisions of the Trust Deed dated 26 October 1993 as further amended and/or supplemented from time to time ("Trust Deed") and Deed of retirement and appointment of Trustee dated 17 August 2015 for the year ended 31 December 2025.

For and on behalf of
HSBC Institutional Trust Services (Asia) Limited

Trustee
23 April 2026

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF VALUE PARTNERS CLASSIC FUND

(A unit trust established in Hong Kong)

Report on the Audit of the Financial Statements

Opinion

What we have audited

The financial statements of Value Partners Classic Fund (the "Fund"), which are set out on pages 15 to 59, comprise:

- the statement of financial position as at 31 December 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to unitholders for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at 31 December 2025, and of its financial transactions and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF VALUE PARTNERS CLASSIC FUND
(Continued)**

(A unit trust established in Hong Kong)

Report on the Audit of the Financial Statements (Continued)

Basis for Opinion (Continued)

Independence

We are independent of the Fund in accordance with the Code of Ethics for Professional Accountants as issued by the Hong Kong Institute of Certified Public Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other Information

The Trustee and the Manager (the "Management") of the Fund is responsible for the other information. The other information comprises all of the information included in the annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF VALUE PARTNERS CLASSIC FUND (Continued)

(A unit trust established in Hong Kong)

Report on the Audit of the Financial Statements (Continued)

Responsibilities of the Management for the Financial Statements

The Management of the Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 26 October 1993, as amended ("Trust Deed") and Appendix E of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code").

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF VALUE PARTNERS CLASSIC FUND
(Continued)**

(A unit trust established in Hong Kong)

Report on the Audit of the Financial Statements (Continued)

***Auditor's Responsibilities for the Audit of the Financial Statements
(Continued)***

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF VALUE PARTNERS CLASSIC FUND (Continued)

(A unit trust established in Hong Kong)

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Matters under the Relevant Disclosure Provisions of the Trust Deed and Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and Appendix E of the SFC Code.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, 23 April 2026

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note(s)	2025 US\$	2024 US\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	4(d)	1,067,354,842	815,023,655
Amounts receivable on sales of investments		4,630,929	13,604,207
Amounts receivable on issue of units		2,292,120	421,644
Dividends, interest receivables and other receivables		1,269,326	266,028
Margin deposits		21	20
Cash and cash equivalents	7(g)	24,849,727	11,322,475
Total assets		<u>1,100,396,965</u>	<u>840,638,029</u>
Liabilities			
Current liabilities			
Financial liabilities at fair value through profit or loss	4(d)	61,955	389,341
Amounts payable on purchase of investments		63,514	12,523,739
Amounts payable on redemption of units		3,343,444	2,574,468
Management fees payable		1,112,630	815,008
Distributions payable to unitholders		98,078	132,545
Performance fees payable	7(g)	95,289	–
Accruals and other payables		238,135	178,568
Total liabilities (excluding net assets attributable to unitholders)		<u>5,013,045</u>	<u>16,613,669</u>
Net assets attributable to unitholders	6	<u>1,095,383,920</u>	<u>824,024,360</u>

Signed by:
Value Partners Hong Kong Limited, Manager

HSBC Institutional Trust Services (Asia) Limited, Trustee

The notes on pages 22 to 59 are an integral part of these financial statements.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note(s)	2025 US\$	2024 US\$
Income			
Dividends		23,706,442	18,857,899
Interest on bank deposits	7(g)	166,152	183,677
Net realised gains on investments		80,980,389	6,870,652
Change in unrealised gains/losses on investments		204,113,487	82,340,289
Net foreign exchange losses		(68,754)	(2,237,853)
Other income		328	40,118
		<u>308,898,044</u>	<u>106,054,782</u>
Expenses			
Management fees	7(a)	(10,533,578)	(9,561,500)
Trustee and fund administration fees	7(c), 7(g)	(1,121,377)	(1,035,785)
Performance fees	7(b)	(94,080)	-
Transaction costs	7(g), 9	(3,072,428)	(5,623,493)
Interest expenses	7(g)	(2,091)	(280,761)
Safe custody and bank charges	7(g)	(223,625)	(271,864)
Legal and professional fees		(35,685)	(36,575)
Auditor's remuneration		(26,819)	(41,053)
Other operating expenses	7(g)	(575,691)	(876,331)
		<u>(15,685,374)</u>	<u>(17,727,362)</u>
Profit before tax		293,212,670	88,327,420
Withholding tax on dividends and other investment income	8	<u>(2,257,622)</u>	<u>(2,149,601)</u>
Profit after tax and before distributions		290,955,048	86,177,819
Distributions to unitholders	10	<u>(1,360,431)</u>	<u>(1,826,276)</u>
Increase in net assets attributable to unitholders from operations		<u><u>289,594,617</u></u>	<u><u>84,351,543</u></u>

The notes on pages 22 to 59 are an integral part of these financial statements.

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
UNITHOLDERS (UNAUDITED)**

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 <i>US\$</i>	2024 <i>US\$</i>
Net assets attributable to unitholders as at beginning of the year	824,024,360 -----	893,894,819 -----
Issue of units	254,841,749	74,539,363
Redemption of units	<u>(273,076,806)</u>	<u>(228,761,365)</u>
Net decrease from unit transactions	----- (18,235,057)	----- (154,222,002)
Increase in net assets attributable to unitholders from operations	<u>289,594,617</u>	<u>84,351,543</u>
Net assets attributable to unitholders as at end of the year	<u><u>1,095,383,920</u></u>	<u><u>824,024,360</u></u>

The notes on pages 22 to 59 are an integral part of these financial statements.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED) (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

The movement of number of units in issue during the years was as follows:

Number of units	As at 1 January	Issue of units	Redemption of units	As at 31 December
2025				
A Units	549,174	–	(11,320)	537,854
B Units	901,667	9,605	(116,629)	794,643
C Units AUD Hedged	2,543,306	775,480	(1,310,976)	2,007,810
C Units CAD Hedged	576,315	342,932	(293,752)	625,495
C Units HKD Hedged	4,136,232	302,648	(1,640,906)	2,797,974
C Units MDis HKD	24,800,613	7,862,126	(16,263,501)	16,399,238
C Units MDis RMB	347,091	103,247	(243,264)	207,074
C Units MDis RMB Hedged	10,205,652	1,341,733	(5,237,309)	6,310,076
C Units MDis USD	3,103,194	593,359	(1,322,393)	2,374,160
C Units NZD Hedged	558,453	322,951	(390,936)	490,468
C Units RMB	526,529	371,241	(431,126)	466,644
C Units RMB Hedged	4,718,710	960,423	(2,272,955)	3,406,178
C Units USD	16,417,790	1,658,623	(3,873,018)	14,203,395
D Units USD	–	349,713	(113,911)	235,802
D Units AUD Hedged	–	486,176	(360,595)	125,581
D Units CAD Hedged	–	19,997	(10,736)	9,261
D Units HKD	–	657,572	(66,176)	591,396
D Units MDis HKD	–	701,680	(184,686)	516,994
D Units MDis RMB Hedged	–	219,779	(140,517)	79,262
D Units MDis USD	–	226,333	(120,138)	106,195
D Units NZD Hedged	–	29,642	(29,489)	153
D Units RMB Hedged	–	426,648	(238,863)	187,785
P Units RMB Hedged	26,640,857	71,109,335	(42,472,341)	55,277,851
P Units RMB Unhedged	1,678,130	15,271,528	(4,970,681)	11,978,977
P Units HKD	–	87,923	(4,918)	83,005
P Units USD	61,612	1,090,547	(238,832)	913,327
X Units	3,975	157	(3,428)	704
Z Units	106,000	168,020	(62,000)	212,020

The notes on pages 22 to 59 are an integral part of these financial statements.

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
UNITHOLDERS (UNAUDITED) (Continued)**

FOR THE YEAR ENDED 31 DECEMBER 2025

The movement of number of units in issue during the years was as follows: (Continued)

Number of units	As at 1 January	Issue of units	Redemption of units	As at 31 December
2024				
A Units	629,830	–	(80,656)	549,174
B Units	1,000,430	13,413	(112,176)	901,667
C Units USD	19,148,915	1,289,451	(4,020,576)	16,417,790
C Units RMB	487,680	1,967,398	(1,928,549)	526,529
C Units AUD Hedged	2,843,106	724,193	(1,023,993)	2,543,306
C Units CAD Hedged	724,508	84,760	(232,953)	576,315
C Units HKD Hedged	5,013,555	561,451	(1,438,774)	4,136,232
C Units NZD Hedged	697,816	237,461	(376,824)	558,453
C Units RMB Hedged	5,893,465	288,933	(1,463,688)	4,718,710
C Units MDis USD	3,915,501	675,430	(1,487,737)	3,103,194
C Units MDis HKD	33,861,367	3,619,251	(12,680,005)	24,800,613
C Units MDis RMB	243,570	171,005	(67,484)	347,091
C Units MDis RMB Hedged	19,400,352	3,375,880	(12,570,580)	10,205,652
P Units USD	75,538	19,242	(33,168)	61,612
P Units RMB Hedged	20,494,221	13,863,915	(7,717,279)	26,640,857
P Units RMB Unhedged	1,639,072	1,031,293	(992,235)	1,678,130
X Units	13,566	6	(9,597)	3,975
Z Units	3,387,918	20,503	(3,302,421)	106,000

The notes on pages 22 to 59 are an integral part of these financial statements.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 US\$	2024 US\$
Cash flows from operating activities		
Increase in net assets attributable to unitholders from operations	289,594,617	84,351,543
Adjustments for:		
Dividends and interest on bank deposits	(23,872,594)	(19,041,576)
Interest expenses	2,091	280,761
Withholding tax on dividends and other investment income	2,257,622	2,149,601
Distributions to unitholders	1,360,431	1,826,276
	269,342,167	69,566,605
(Increase)/decrease in financial assets at fair value through profit or loss	(252,331,187)	58,786,102
(Decrease)/increase in financial liabilities at fair value through profit or loss	(327,386)	381,433
Decrease/(increase) in amounts receivable on sales of investments	8,973,278	(3,554,419)
(Decrease)/increase in amounts payable on purchase of investments	(12,460,225)	1,667,882
Increase/(decrease) in other receivables	(3,786)	384
(Increase)/decrease in margin deposit	(1)	10
Decrease in bank overdrafts	-	(2,215,932)
Increase/(decrease) in management fees payable	297,622	(20,454)
Increase in performance fees payable	95,289	-
Increase in accruals and other payables	59,567	6,881
	13,645,338	124,618,492
Dividends and interest on bank deposits received	20,615,460	17,011,447
Interest expenses paid	(2,091)	(297,286)
Net cash inflow from operating activities	34,258,707	141,332,653

The notes on pages 22 to 59 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 <i>US\$</i>	2024 <i>US\$</i>
Cash flows from financing activities		
Distributions paid to unitholders	(1,394,898)	(1,872,076)
Proceeds from issue of units	252,971,273	74,420,845
Payments on redemption of units	<u>(272,307,830)</u>	<u>(229,714,276)</u>
Net cash outflow from financing activities	<u>(20,731,455)</u>	<u>(157,165,507)</u>
Net Increase/(decrease) in cash and cash equivalents	13,527,252	(15,832,854)
Cash and cash equivalents as at beginning of the year	<u>11,322,475</u>	<u>27,155,329</u>
Cash and cash equivalents as at end of the year, representing bank balances	<u><u>24,849,727</u></u>	<u><u>11,322,475</u></u>

The notes on pages 22 to 59 are an integral part of these financial statements.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Value Partners Classic Fund (the “Fund”) is an open-ended unit trust established by the Trust Deed as further amended and/or supplemented from time to time (“Trust Deed”) dated 26 October 1993 (as amended) and governed by the laws of Hong Kong.

The Fund is authorised by the Securities and Futures Commission of Hong Kong and is required to comply with the Code on Unit Trusts and Mutual Funds established by the Securities and Futures Commission of Hong Kong (the “Code”).

The Fund’s investment objective is to achieve consistent superior returns through an investment discipline that places emphasis on the fundamental value of potential investments. The Fund’s investment activities are managed by Value Partners Hong Kong Limited (the “Manager”). The Fund’s Administrator is HSBC Institutional Trust Services (Asia) Limited (the “Trustee”).

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Manager to exercise its judgement in the process of applying the Fund’s accounting policies.

All references to net assets throughout this document refer to net assets attributable to unitholders unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

Standards and amendments to existing standards effective 1 January 2025

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2025 that have a material effect on the financial statements of the Fund.

Standards that are not yet effective and have not been early adopted by the Fund

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2025, and have not been early adopted in preparing these financial statements. The Fund's assessment of the impact of these new standards and amendments is set out below.

- i) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026)
- ii) IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

The IASB issued the new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The Fund is currently still assessing the effect of the forthcoming standard and amendments. No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(b) Investment entity

The Fund has been deemed to meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- (i) The Fund has multiple investments;
- (ii) The Fund obtained funding for the purpose of providing investors with investment management services;
- (iii) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income; and
- (iv) The performance of investments made through the investee funds are measured and evaluated on a fair value basis.

The Fund meets all of the typical characteristics of an investment entity and management believes it is an investment entity. The Fund is required to account for unconsolidated structured entities at fair value through profit and loss.

(c) Interest in unconsolidated structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity.

The Fund considers all of its investments in investee funds to be investments in unconsolidated structured entities. The Fund invests in investee funds whose objectives range from achieving medium to long term capital growth and whose investment strategy does not include the use of leverage. The investee funds are managed by the group companies of the Manager who apply various investment strategies to accomplish the respective investment objectives of the investee funds.

The Fund's investments in unconsolidated structured entities are shown as financial assets at fair value through profit and loss. The change in fair value of each investee fund is included in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(d) Financial assets and liabilities at fair value through profit or loss

(i) *Classification*

– Assets

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective.

– Liabilities

The Fund short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security or it may use short sales for various arbitrage transactions. Short sales are held for trading and are consequently classified as financial liabilities at fair value through profit or loss. Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

As such, the Fund classifies all of its investment portfolio as financial assets or liabilities as fair value through profit or loss.

The Fund's policy requires the Investment Manager and the Trustee to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

All derivatives are carried in assets when amounts are receivable by the Fund and in liabilities when amounts are payable by the Fund.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(d) Financial assets and liabilities at fair value through profit or loss (Continued)

(ii) *Recognition/derecognition*

Regular purchases and sales of investments are recognised on the trade date – the date on which the Fund commits to purchase or sell the investment. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

(iii) *Measurement*

Financial assets and liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income. Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of financial assets and liabilities at fair value through profit or loss are presented in the statement of comprehensive income in the year in which they arise.

(iv) *Fair value estimation*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on last traded prices at the close of trading on the reporting date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Debt securities are fair valued based on quoted prices inclusive of accrued interest.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(d) Financial assets and liabilities at fair value through profit or loss (Continued)

(iv) Fair value estimation (Continued)

Investments in investee funds are stated at fair value based on the net asset value per unit/share of the respective funds as determined by the administrators of the relevant funds or stated at last traded prices if the investee funds are listed or traded on an exchange. When trading of financial assets and liabilities is suspended, the investment is valued at the manager's estimate of its fair value.

Over-the-counter derivatives that are not traded in an active market is determined by using broker quotes or valuation techniques.

(e) Income

(i) Interest income

Interest income on bank deposits is recognised in the statement of comprehensive income on a time proportionate basis using the effective interest method.

Interest income on debt securities is recognised in the statement of comprehensive income within "net realised gains on investments" and "change in unrealised gains/losses on investments", which depends on whether the Fund holds that debt security as at year end.

(ii) Dividends

Dividends is recognised when the right to receive payment is established.

(f) Expenses

Expenses are accounted for on an accrual basis and are charged to the statement of comprehensive income.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(g) Transaction costs

Transaction costs are costs incurred to acquire/dispose financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs when incurred, are immediately recognised in the statement of comprehensive income as an expense.

(h) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Fund or the counterparty.

(i) Collateral

The party to whom the collateral is provided does not have the right to sell or re-pledge the collateral and the Fund classifies these pledged investments as financial assets at fair value through profit or loss in the statement of financial position.

Cash collateral provided by the Fund is identified in the statement of financial position as margin deposits and is not included as a component of cash and cash equivalents.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(j) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates (“the functional currency”). The performance of the Fund is measured and reported to the unitholders in United State dollar (“US\$”). The Manager considers US\$ as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in US\$, which is the Fund’s functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of comprehensive income within “net foreign exchange losses”.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of comprehensive income within “net realised gains on investments” and “change in unrealised gains/losses on investments”.

(k) Taxation

The Fund currently incurs withholding tax imposed by certain countries on investment income and capital gains. Such income is recorded gross of withholding tax in the statement of comprehensive income.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less, and exclude overdrafts with the broker as they are restricted for investment purposes. Bank overdrafts are shown in current liabilities in the statement of financial position.

(m) Redeemable units

Redeemable units are classified as financial liabilities and are issued or redeemed at the holder's option at prices based on the Fund's net asset value per unit as at the close of business on the relevant dealing day. The Fund's net asset value per unit is calculated by dividing the net assets attributable to the unitholders with the total number of outstanding units.

The redeemable units will be issued when the signed application for subscription or switching of units in the relevant class has been received. The subscription monies should be received no more than three Business Days after the close of the relevant dealing period. The amounts receivable on issue of units are recognised when the subscription applications are received but not yet settled.

The redemption monies will be paid with the maximum interval between the receipt of a properly documented request for redemption of units and payment of the redemption proceeds to the unitholders may not exceed 30 days. The amounts payable on redemption of units are recognised when the redemption requests are received but not yet settled.

(n) Distributions to unitholders

Proposed distributions to unitholders are recognised in the statement of comprehensive income when they are appropriately authorised. The Manager expects to be able to pay distributions from the net distributable income generated by the Fund from its investment but in the event that such net distributable income is insufficient to pay distributions as it declares, the Manager may in its discretion determine that such distributions may be paid from capital. The distribution on the units is recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The Manager makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value of financial instruments not quoted in an active market

The Fund holds financial instruments that are not traded or quoted in an active market. The Fund uses its judgement to select the appropriate methods and make assumptions based on market conditions existing at the end of each reporting period to estimate the fair value of such financial instruments.

Valuation techniques include the market approach using prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities such as net asset values as provided by fund administrators, broker quotes and last transacted price. Broker quotes obtained from the pricing sources (such as pricing agencies or bond/debt market makers) may be indicative and not executable or binding. The Fund would exercise judgement and estimates on the quantity and quality of pricing sources uses. Where no market data is available, the Fund may value positions using its own models. Although best estimate is used in estimating fair values, there are inherent limitations in any valuation technique. Estimated fair values may differ from the values that would have been used if a readily available market existed.

As at 31 December 2025, the Fund held one (2024: one) unlisted equity securities of US\$Nil (2024: US\$Nil), which are classified as level 3 investments. Refer to Note 4(d) for further details.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit and counterparty risk and liquidity risk.

The risks and respective risk management policies employed by the Fund to manage these risks are discussed below:

(a) Market risk

(i) Foreign exchange risk

The Fund may hold assets denominated in currencies other than the US\$, the functional currency, it may therefore be exposed to foreign exchange risk. The Fund's overall currency positions are monitored on a daily basis by the Manager.

The table below includes both monetary and non-monetary assets and liabilities held in foreign currencies together with the percentage of reasonable possible change in foreign exchange rates and the estimated impact on net assets. Non-monetary investments include equity securities. Monetary investments include currency forwarding.

	Total net foreign currency exposures			
	Non- monetary net assets <i>US\$ equivalent</i>	Monetary net assets <i>US\$ equivalent</i>	Percentage change <i>%</i>	Estimated impact on net assets <i>US\$</i>
As at 31 December 2025				
Australian dollar	–	26,227,306	+/-6	+/-1,573,638
Canadian dollar	–	9,090,443	+/-5	+/-454,522
Euro	–	328	+/-7	+/-23
Hong Kong dollar*	621,771,401	14,443,217	+/-0	–
Indonesian rupiah	–	707	+/-5	+/-35
Korean won	–	11,887	+/-6	+/-713
New Zealand dollar	–	5,694,521	+/-6	+/-341,671
Renminbi	112,801,003	132,699,131	+/-5	+/-12,275,007
Singapore dollar	–	211	+/-3	+/-6
Taiwan dollar	308,787,298	6,107,867	+/-6	+/-18,893,710
	1,043,359,702	194,275,618		

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(i) Foreign exchange risk (Continued)

	Total net foreign currency exposures			
	Non- monetary net assets <i>US\$ equivalent</i>	Monetary net assets/ (liabilities) <i>US\$ Equivalent</i>	Percentage change %	Estimated impact on net assets <i>US\$</i>
As at 31 December 2024				
Australian dollar	–	22,313,733	+/-6	+/-1,338,824
Canadian dollar	–	5,914,657	+/-4	+/-236,586
Hong Kong dollar*	557,607,715	9,044,117	+/-0	–
Indonesian rupiah	–	732	+/-5	+/-37
New Zealand dollar	–	4,761,402	+/-7	+/-333,298
Renminbi	78,392,310	54,394,103	+/-4	+/-5,311,457
Singapore dollar	–	235	+/-2	+/-5
Taiwan dollar	134,502,040	228,381	+/-5	+/-6,736,521
	<u>770,502,065</u>	<u>96,657,360</u>		

* The Hong Kong dollar is currently linked to the US\$, the functional currency, within a narrow range, and is therefore not exposed to significant foreign exchange risk.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(ii) Price risk

The Manager manages price risk primarily through diversification of the portfolio and through a careful selection of securities and other financial instruments within specified limits as stated in the Explanatory Memorandum. The Fund's overall market positions are monitored on a daily basis by the Manager.

As at 31 December 2025 and 2024, the Fund had no exposure to a single security greater than 10% of net assets.

The Fund's overall market exposures at the reporting date were as follows:

	% of net assets	
	2025	2024
Financial assets at fair value through profit or loss		
Listed equity securities		
China	10.30	9.51
Hong Kong		
– H shares	20.25	20.47
– Red chips	5.46	6.32
– Others	31.05	40.89
Taiwan	28.19	16.32
The United States of America	2.10	4.88
	<hr/>	<hr/>
	97.35	98.39
Participation notes	–	0.52
Unlisted equity securities	–	–
Foreign exchange contracts	0.09	0.00*
	<hr/>	<hr/>
	97.44	98.91
	<hr/>	<hr/>

* % of net assets is less than 0.005%.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(ii) Price risk (Continued)

	% of net assets	
	2025	2024
Financial liabilities at fair value through profit or loss		
Forward exchange contracts	(0.01)	(0.05)
	(0.01)	(0.05)
	% of total investments	
	2025	2024
Communication services	16.70	12.57
Consumer, Cyclical	0.33	–
Consumer discretionary	13.51	25.04
Consumer staples	2.47	2.39
Energy	–	2.99
Financials	12.54	17.00
Healthcare	7.08	1.87
Industrials	6.33	7.25
Information technology	31.50	28.37
Materials	6.52	1.19
Real estate	0.38	1.33
Utilities	2.64	–
	100.00	100.00

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(ii) Price risk (Continued)

The Fund may sell securities of an issuer short. Short sales made by the Fund involve certain risks and special considerations. Possible losses from short sales differ from losses that could be incurred from a purchase of a security, because losses from short sales may be unlimited, whereas losses from purchases cannot exceed the total amount invested.

The table below summarises the sensitivity of the Fund's portfolio of listed equity securities and equity derivatives to equity price movements. The analysis is based on the assumptions that the MSCI Golden Dragon Net Total Return Index increased/decreased with all other variables held constant and that the fair value of the Fund's portfolio of listed equity securities and notional value of the Fund's derivatives moved according to their historical correlation with the index. The Manager does not manage price risk with reference to any market index. The index used below is for guidance and performance comparison only.

	Percentage change		Estimated impact on net assets	
	2025 %	2024 %	2025 US\$	2024 US\$
MSCI Golden Dragon Net Total Return Index	+/-20	+/-15	+/-218,048,782	+/-136,246,286

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(iii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or future cash flow will fluctuate due to changes in market interest rates.

The table below summaries the Fund's financial assets and liabilities at the reporting date which expose it to the risk associated with the effects of fluctuations in the prevailing levels of market interest rates, categorised by remaining maturity dates.

	Less than 1 month	
	2025	2024
	<i>US\$</i>	<i>US\$</i>
Cash and cash equivalents	<u>24,849,727</u>	<u>11,322,475</u>
Interest sensitivity gap	<u><u>24,849,727</u></u>	<u><u>11,322,475</u></u>

The bank balances are placed at short term market interest rates and the Manager considers that the Fund is not subject to significant amount of risk due to the stable and low fluctuation in the prevailing levels of market interest rates.

(b) Credit and counterparty risk

The Fund limits its exposure to credit risk by transacting the majority of its securities and contractual commitment activities with broker-dealers, banks and regulated exchanges that the Manager considers to be well established. All transactions in listed securities are settled/paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal since delivery of securities sold is only made when the broker has received payment. In a purchase, payment is made when the securities have been received by the broker. If either party fails to meet its obligation, the trade will fail.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit and counterparty risk (Continued)

The table below shows the exposures to major counterparties at the reporting date. The credit ratings are issued by internationally recognized credit rating agencies.

	2025 US\$	2024 US\$
Counterparty		
Cash with banks		
Investment-grade equivalent	24,849,727	11,322,475
Margin Deposits		
Investment-grade equivalent	21	20
Investments placed with custodian and other broker		
Investment-grade equivalent	1,067,354,842	815,023,655
Amounts receivable on sales of investments		
Investment-grade equivalent	4,630,929	13,604,207

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. As at 31 December 2025 and 2024, amounts receivable on sales of investments, amounts receivable on issue of units, dividends, interest receivables and other receivables, margin deposits and bank balances are held with counterparties assessed to be of investment-grade or equivalent and are due to be settled within 1 week. Applying the requirements of IFRS 9, the expected credit loss ("ECL") is immaterial for the Fund and, as such, no ECL has been recognised within the financial statements.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets, excluding equity securities, as shown in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

The table below analyses the Fund's financial assets and financial liabilities based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. The table below reflects captions of the statement of financial position items and shows how much of the net assets can be redeemed if the Manager does not exercise the 10% redemption gate.

	Less than 3 month	
	2025	2024
	<i>US\$</i>	<i>US\$</i>
Total financial assets	1,100,396,965	840,638,029
Current liabilities		
Net assets attributable to unitholders	1,095,383,920	824,024,360
Financial liabilities at fair value through profit or loss – derivatives	61,955	389,341
Amounts payable on purchase of investments	63,514	12,523,739
Amounts payable on redemption of units	3,343,444	2,574,468
Management fees payable	1,112,630	815,008
Distributions payable to unitholders	98,078	132,545
Performance fees payables	95,289	–
Accruals and other payables	238,135	178,568
Total financial liabilities	1,100,396,965	840,638,029

As at 31 December 2025, the Fund was subject to one (2024: one) passive hedging arrangement with its derivative counterparty. The arrangement gives the Fund and the counterparties the legally enforceable right to set-off certain financial assets and liabilities.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

The Fund and its counterparties have elected to settle all transactions on a gross basis, however, each party has the option to settle all open obligations on a net basis in the event of default of the other party. Accordingly, all the financial assets and liabilities has been recognised in the statement of financial position on a gross basis.

The following table presents the Fund's financial assets and liabilities eligible to offsetting had the Fund elected to enforce the master netting agreement and similar agreements at the reporting date. The amount to be offset is limited to the absolute value of financial assets or financial liabilities within the same counterparty.

	2025 US\$	2024 US\$
Gross amounts of recognised financial assets		
Forward exchange contracts	<u>1,041,996</u>	<u>9,187</u>
Net amounts of financial assets presented in the statements of financial position	<u><u>1,041,996</u></u>	<u><u>9,187</u></u>
Gross amounts of recognised financial liabilities		
Forward exchange contracts	<u>(61,955)</u>	<u>(389,341)</u>
Net amounts of financial liabilities presented in the statements of financial position	<u><u>(61,955)</u></u>	<u><u>(389,341)</u></u>
Net amount	<u><u>980,041</u></u>	<u><u>(380,154)</u></u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

Capital Management

The capital of the Fund is represented by the net assets attributable to unitholders which is subject to daily subscriptions and redemptions of redeemable units. The Fund's objective for capital management is to provide returns and long-term capital growth for unitholders.

In order to maintain the capital structure, the Manager performs the following:

- Monitor subscriptions and redemptions activities relative to liquid assets;
- Protect the interest of unitholders and in exceptional circumstances, the Manager may limit the total number of units redeemed on any redemption day to 10% in aggregate of the total number of units in issue; and
- Monitor fund investment guidelines and restrictions, in accordance with the Explanatory Memorandum.

The markets in which the Fund invests may be relatively illiquid and the liquidity of these markets may fluctuate substantially over time. Investment of the Fund's assets in relatively illiquid securities may restrict the ability of the Fund to dispose of its investments at a price and time that it wishes. The risk of illiquidity also arises in the case of over-the-counter transactions. As at 31 December 2025 and 2024, the Manager considers that the amount of such illiquid investments is relatively insignificant compared to the net assets attributable to unitholders and the majority of the Fund's asset can be realised within 7 days or less to generate cash inflows for managing liquidity risk.

Below presents a list of investors who held more than 10% of the net assets of the Fund:

Investor	% of net assets
As at 31 December 2025	
Investor 1	13.11
Investor 2	12.62
As at 31 December 2024	
Investor 1	14.10
Investor 2	11.34

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value estimation

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities (by class) measured at fair value as at the reporting date.

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
As at 31 December 2025				
Financial assets held for trading				
Listed equity securities	1,066,312,846	-	-	1,066,312,846
Unlisted equity securities	-	-	-*	-
Forward exchange contracts	-	1,041,996	-	1,041,996
	<u>1,066,312,846</u>	<u>1,041,996</u>	<u>-</u>	<u>1,067,354,842</u>
Financial liabilities held for trading				
Forward exchange contracts	-	(61,955)	-	(61,955)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value estimation (Continued)

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
As at 31 December 2024				
Financial assets held for trading				
Listed equity securities	810,753,319	-	-	810,753,319
Participation notes	-	4,261,149	-	4,261,149
Unlisted equity securities	-	-	-*	-
Forward exchange contracts	-	9,187	-	9,187
	<u>810,753,319</u>	<u>4,270,336</u>	<u>-</u>	<u>815,023,655</u>
Financial liabilities held for trading				
Forward exchange contracts	-	(389,341)	-	(389,341)

Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1, include active listed equity securities and a daily traded listed investee fund. The Fund does not adjust the quoted price for these investments.

Financial instruments that trade in markets that are not considered to be active and are valued based on quoted market prices or broker quotes, or financial instruments for which there is no active market and are valued based on valuation models supported by observable inputs are classified within level 2.

Investments classified within level 3 have significant unobservable inputs, as they are traded infrequently.

* As at 31 December 2025, the fair value of one (2024: one) unlisted equity securities was fully marked at zero.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(d) Fair value estimation (Continued)

The Manager considers that changes in the inputs to the valuation models would not have a significant effect on the net asset value of the Fund. No quantitative analysis has been presented. The table below summarises the key unobservable inputs adopted by the Manager in determining the fair value.

	Fair value <i>US\$</i>	Valuation technique	Unobservable inputs	Range of inputs
As at 31 December 2025				
Unlisted equity securities	–	Last transacted price with discounts applied	Discount rate	100%
As at 31 December 2024				
Unlisted equity securities	–	Last transacted price with discounts applied	Discount rate	100%

There is no transfer between levels for the years ended 31 December 2025 and 2024.

There is no movement in level 3 investments for the years ended 31 December 2025 and 2024.

Other assets and liabilities are carried at amortised cost and their carrying values are reasonable approximation of fair value.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(e) Financial derivative instruments

The Fund's financial derivative instruments at the reporting date are detailed as follows:

	Notional amount Long/(Short)	Fair value Assets US\$	Liabilities US\$
As at 31 December 2025			
Forward exchange contracts	AUD39,498,199	178,561	-
Forward exchange contracts	CAD12,339,056	34,778	-
Forward exchange contracts	CNH860,301,948	828,404	-
Forward exchange contracts	(NZD109,270)	253	-
Forward exchange contracts	(AUD365,091)	-	(2,079)
Forward exchange contracts	(CNH12,269,333)	-	(30,170)
Forward exchange contracts	HKD47,860,924	-	(4,341)
Forward exchange contracts	NZD9,951,396	-	(25,365)
		<u>1,041,996</u>	<u>(61,955)</u>

	Notional amount Long/(Short)	Fair value Assets US\$	Liabilities US\$
As at 31 December 2024			
Forward exchange contracts	CAD8,469,249	3,523	-
Forward exchange contracts	(CNH3,779,952)	1,808	-
Forward exchange contracts	HKD52,843,369	3,856	-
Forward exchange contracts	AUD35,845,531	-	(115,611)
Forward exchange contracts	CNH399,998,706	-	(262,006)
Forward exchange contracts	(HKD7,344)	-	(1)
Forward exchange contracts	NZD8,457,762	-	(11,723)
Participation notes on China equities	RMB31,252,636	4,261,149	-
		<u>4,270,336</u>	<u>(389,341)</u>

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 INVESTMENTS IN UNCONSOLIDATED STRUCTURED ENTITIES

Unconsolidated structured entities consist of investments in investee funds which are subject to the terms and conditions of the respective investee funds' offering documents and are susceptible to market price risk arising from uncertainties about future values of those structured entities. The Manager makes investment decisions after extensive due diligence of the underlying fund, its strategy and the overall quality of the underlying fund's manager.

The Fund's holding in investee funds, as a percentage of the respective structured entity's total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at structured entities level. It is possible that the Fund may, at any point in time, hold a majority of a structured entity's total shares/units in issue.

Movements in the fair value of the investee funds' portfolio and corresponding movements in the fair value of the investee funds may expose the Fund to a loss. The Fund's maximum exposure to loss from its interests in structured entities is equal to the total fair value of its investments in structured entities. Once the Fund has disposed of its shares/units in a structured entity, the Fund ceases to be exposed to any risk from that structured entity.

As at 31 December 2025 and 2024, the Fund did not invest in investee funds.

During the year ended 31 December 2025, the Fund did not invest in other funds. During the year ended 31 December 2024, the Fund invested in Value Partners Ireland Fund ICAV – Value Partners China A Shares Equity Fund and Value Partners China A Shares High Dividend Fund, which are also managed by the manager or its related party

Total purchases and total sales in structured entities during the year ended 31 December 2025 were US\$Nil (2024: US\$Nil) and US\$Nil (2024: US\$830,000) respectively. As at 31 December 2025 and 2024, there were no capital commitment obligations and no amounts due to structured entities for unsettled purchases.

During the year ended 31 December 2025, total net loss of US\$Nil (2024: US\$170,000) was recognised on investments in investee funds.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 REDEEMABLE UNITS

Units of the Fund are issued in different classes. All units are subject to daily redemption. The management fees charged to each class of units are different as disclosed in note 7(a). Applications for A Units and B Units were suspended since 2002 and 2009 respectively unless otherwise agreed by the Manager. New investors who wish to invest in the Fund and existing unitholders who wish to further subscribe for units in the Fund may subscribe for C Units, C Units – Hedged, C Units – MDis, D Units, D Units Hedged, D Units – MDis, X Units, Z Units and P Units.

The Fund may enter into certain currency related transactions in order to hedge the currency exposure of the assets of the Fund attributable to a particular class into the class currency of the relevant class. Any financial instruments used to implement such strategies with respect to one or more classes shall be assets/liabilities of the Fund as a whole but will be attributable to the relevant classes and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant class.

A Units, B Units, C Units, C Units – Hedged, C Units – MDis, D Units, D Units Hedged, D Units – MDis, X Units, Z Units and P Units are redeemable at the option of the unitholders, are subject to different management fee percentages and do not have identical features, and are therefore classified as financial liabilities. The units can be put back to the Fund for cash equal to a proportionate share of the Fund's net asset value. The units are carried at the redemption amount that is payable at the reporting date if the unitholders exercise their right to put the units back to the Fund.

The Fund's capital is represented by these units. The Fund's capital is shown as net assets attributable to unitholders in the statement of financial position. The Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of listed securities where necessary.

The Fund offers classes of redeemable units that accumulate income (A Units, B Units, C Units USD, C Units RMB, C Units AUD Hedged, C Units CAD Hedged, C Units HKD Hedged, C Units NZD Hedged, C Units RMB Hedged, D Units, D Units AUD Hedged, D Units CAD Hedged, D Units HKD, D Units NZD Hedged, D Units RMB Hedged, P Units USD, P Units RMB Hedged, P Units RMB unhedged, P Units HKD, X Units and Z Units, collectively referred to as "Accumulation Classes") or pay regular dividends out of net income or on occasion make payments out of capital (C Units MDis USD, C Units MDis HKD, C Units MDis RMB, C Units MDis RMB Hedged, collectively referred to as the "Distribution Classes"). The Manager currently does not aim to pay dividends with respect to Accumulation Classes. Therefore, any net income and net realised profits attributable to the units of the Accumulation Classes will be reflected in their respective Net Asset Values.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 REDEEMABLE UNITS (Continued)

Number of units in issue

Number of units and the net asset value per unit at the reporting date was as follows:

	2025	2024
Number of units		
A Units	537,854	549,174
B Units	794,643	901,667
C Units AUD Hedged	2,007,810	2,543,306
C Units CAD Hedged	625,495	576,315
C Units HKD Hedged	2,797,974	4,136,232
C Units MDis HKD	16,399,238	24,800,613
C Units MDis RMB	207,074	347,091
C Units MDis RMB Hedged	6,310,076	10,205,652
C Units MDis USD	2,374,160	3,103,194
C Units NZD Hedged	490,468	558,453
C Units RMB	466,644	526,529
C Units RMB Hedged	3,406,178	4,718,710
C Units USD	14,203,395	16,417,790
D Units USD	235,802	-
D Units AUD Hedged	125,581	-
D Units CAD Hedged	9,261	-
D Units HKD	591,396	-
D Units MDis HKD	516,994	-
D Units MDis RMB Hedged	79,262	-
D Units MDis USD	106,195	-
D Units NZD Hedged	153	-
D Units RMB Hedged	187,785	-
P Units RMB Hedged	55,277,851	26,640,857
P Units RMB Unhedged	11,978,977	1,678,130
P Units HKD	83,005	-
P Units USD	913,327	61,612
X Units	704	3,975
Z Units	212,020	106,000

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 REDEEMABLE UNITS (Continued)

Number of units in issue (Continued)

Number of units and the net asset value per unit at the reporting date was as follows:
(Continued)

	2025	2024
Net asset value per unit		
A Units	USD507.30	USD368.77
B Units	USD218.86	USD159.89
C Units AUD Hedged	AUD18.95	AUD14.17
C Units CAD Hedged	CAD19.75	CAD14.77
C Units HKD Hedged	HKD17.29	HKD12.84
C Units MDis HKD	HKD10.41	HKD7.78
C Units MDis RMB	RMB10.90	RMB8.58
C Units MDis RMB Hedged	RMB9.65	RMB7.33
C Units MDis USD	USD10.45	USD7.83
C Units NZD Hedged	NZD20.26	NZD15.23
C Units RMB	CNH19.67	RMB15.14
C Units RMB Hedged	RMB17.48	RMB13.17
C Units USD	USD27.38	USD20.00
D Units USD	USD12.04	–
D Units AUD Hedged	AUD11.90	–
D Units CAD Hedged	CAD11.86	–
D Units HKD	HKD12.06	–
D Units MDis HKD	HKD11.81	–
D Units MDis RMB Hedged	CNH11.62	–
D Units MDis USD	USD11.78	–
D Units NZD Hedged	NZD11.86	–
D Units RMB Hedged	RMB11.71	–
P Units RMB Hedged	RMB12.9312	RMB9.7482
P Units RMB Unhedged	RMB14.4144	RMB11.1076
P Units HKD	HKD10.0046	–
P Units USD	USD11.0104	USD8.1294
X Units	USD16.63	USD11.99
Z Units	USD15.01	USD10.91

VALUE PARTNERS CLASSIC FUND

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 RELATED PARTY TRANSACTIONS/TRANSACTIONS WITH THE TRUSTEE, THE MANAGER AND THEIR CONNECTED PERSONS

The following is a summary of significant related party transactions/transactions entered into during the period between the Fund and the Trustee, the Manager and their connected persons. Connected persons of the Trustee and the Manager are those as defined in the SFC Code. All such transactions were entered into in the ordinary course of business and on normal commercial terms.

(a) Management fees

The Manager is entitled to receive management fees which represent 0.75% per annum of that portion of the net asset value of the Fund attributable to A units and Z units and 1.25% per annum of that portion of the net asset value of the Fund attributable to B units, C units, C units – Hedged, C units – MDis, D units, D units – Hedged, D units – MDis, P units RMB, P units HKD and P Units USD. No management fees shall be payable for X units. The management fees are calculated and accrued daily and payable monthly in arrears.

(b) Performance fees

The Manager is entitled to receive, in respect of all Classes other than Class D, a performance fees which represents 15% of the product of the average number of units in issue during the year and the amount by which the net asset value per unit as at the reporting date before accrual of performance fees and including any distribution declared or paid in respect of their relevant performance periods exceeds the higher of (i) the initial issue price of the units and (ii) the highest value for the net asset value per unit as at 31 December for any preceding year in which a performance fees was last calculated and paid (after payment of the performance fees). The performance fees is calculated and accrued daily and payable yearly in arrears.

(c) Trustee and fund administration fees

The Trustee is entitled to receive a trustee and fund administration fees which represents a variable fee of (i) 0.15% per annum on the first US\$150 million of the net asset value of the Fund; (ii) 0.13% per annum on the next US\$150 million of the net asset value of the Fund; and (iii) 0.11% per annum thereafter. Under the terms of the Trust Deed, the Trustee is also entitled to a fixed annual fee of US\$4,500. The variable fee was calculated and accrued daily and payable monthly in arrears.

(d) Registrar fees

The Trustee is also entitled to 0.03% per annum of the Fund's NAV for the services provided as the Fund's registrar.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 RELATED PARTY TRANSACTIONS/TRANSACTIONS WITH THE TRUSTEE, THE MANAGER AND THEIR CONNECTED PERSONS

(e) The Trustee's, the Manager's and their related parties' holding in the Fund and entitled to profit/loss from transactions in units

The Trustee, the Manager and their related parties held units of the Fund and entitled to profit/(loss) from transactions in units as follows:

	As at 1 January	Transactions in units Issue of units	Redemption of units	As at 31 December
2025				
A units				
A related party of the Manager's parent company [#]	34,669	-	-	34,669
Spouse of a related party of the Manager's parent company [#]	6,615	-	-	6,615
B units				
Director(s) of the Manager	14,749	-	-	14,749
Spouse of a related party of the Manager's parent company [#]	1,992	-	-	1,992
C units				
Director(s) and the spouse of the director of the Manager ^{##}	8,236	-	(8,236)	-
Value Partners Limited [*]	-	1,180	(1,180)	-
Sensible Asset Management Limited ^{**}	-	4,688	(4,688)	-
GF Securities (Hong Kong) Brokerage Limited ^{***}	24,160	132,091	(23,261)	132,990
D units				
Value Partners Limited [*]	-	47,604	(47,451)	153
X units				
Value Partners Limited [*]	3,975	158	(3,429)	704
Z units				
A related party of the Manager's parent company [#]	-	168,020	-	168,020

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 RELATED PARTY TRANSACTIONS/TRANSACTIONS WITH THE TRUSTEE, THE MANAGER AND THEIR CONNECTED PERSONS (Continued)

(e) The Trustee's, the Manager's and their related parties' holding in the Fund and entitled to profit/loss from transactions in units (Continued)

	As at 1 January	Transactions in units		As at 31 December
		Issue of units	Redemption of units	
2024				
A Units				
Director(s) of the Manager	34,669	-	-	34,669
Spouse of a director of the Manager	6,615	-	-	6,615
B Units				
Director(s) of the Manager	14,749	-	-	14,749
Spouse of a director of the Manager	1,992	-	-	1,992
C Units				
Value Partners Limited*	-	1,499	(1,499)	-
Sensible Asset Management Limited**	22,642	-	(22,642)	-
GF Securities (Hong Kong) Brokerage Limited***	29,736	919	(6,495)	24,160
X Units				
Value Partners Limited*	13,566	6	(9,597)	3,975

* Value Partners Limited is a fellow subsidiary of the Manager.

** A ex-director of the Manager's parent company held the units in the Fund through Sensible Asset Management Limited as at 31 December 2025 and 2024.

*** GF Securities (Hong Kong) Brokerage Limited is a connected person of the Manager. The units held by the connected person considered as related party transaction.

Value Partners Group Limited is the parent company of the Manager of the Fund as at 31 December 2025 and 2024.

The units held by the connected person considered as related party transaction since 16 May 2025.

Note During the year ended 31 December 2025 and 2024, the Manager and its related parties' holding in the Fund are entitled to the distribution based on their holding of the units of the relevant Fund, refer to Note 10 for details.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 RELATED PARTY TRANSACTIONS/TRANSACTIONS WITH THE TRUSTEE, THE MANAGER AND THEIR CONNECTED PERSONS (Continued)

(f) Investment in funds managed by the Manager or its related parties

During the year ended 31 December 2025, the Fund did not invest in other funds, which are also managed by the Manager or its related party.

During the year ended 31 December 2024, the Fund invested in other funds, which are also managed by the Manager or its related party. Refer to note 5 for further details.

In accordance with the Fund's Explanatory Memorandum, the managers of these funds have waived the management fees payable by the Fund by refunding the relevant fees to the Fund, which is included in the statement of comprehensive income as "other income". For the year ended 31 December 2025 and 2024, no management fees were waived.

(g) Other transaction and balances with the Trustee and its related parties

In addition to the trustee and fund administration fees of US\$1,121,377 (2024: US\$1,035,785), as disclosed in note 7(c), the Fund had the following additional transactions with the Trustee and its related parties. All such transactions were entered into in the ordinary course of business and were on normal commercial terms.

	2025 US\$	2024 US\$
Interest on bank deposits	166,152	183,677
Transaction costs*	(126,336)	(131,363)
Interest expenses	(2,091)	(280,761)
Safe custody and bank charges	(223,625)	(271,864)
Registrar and transfer agent fees expenses	(234,404)	(216,156)
Annual service fees	<u>(5,589)</u>	<u>(5,558)</u>

* Such amount represents transaction handling fee and paid commission to the related parties of the Trustee for the purchases and sales of investments during the years ended 31 December 2025 and 2024 as follows:

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 RELATED PARTY TRANSACTIONS/TRANSACTIONS WITH THE TRUSTEE, THE MANAGER AND THEIR CONNECTED PERSONS (Continued)

(g) Other transaction and balances with the Trustee and its related parties (Continued)

	2025 US\$	2024 US\$
The Hongkong and Shanghai Banking Corporation Limited		
Total commission paid	82,184	101,505
Total aggregate value of the purchases and sales	102,800,544	141,703,005
Average rate of commission	0.08%	0.07%
% of transactions to the total purchases and sales of the Fund	6.85%	5.22%

In addition to the trustee and fund administration fees payable of US\$116,810 (2024: US\$87,415) and registrar fees payable of US\$24,698 (2024: US\$18,079), as disclosed in Note 7(c), the Fund had the following additional balances with the Trustee and its related parties.

	2025 US\$	2024 US\$
Financial assets at fair value through profit or loss	1,067,354,842	815,023,655
Cash and cash equivalents	24,849,727	11,322,475
Interest receivable	127	509
Financial liabilities at fair value through profit or loss	(61,955)	(389,341)
Transaction costs payable	(1,705)	(1,492)
Safe custody and bank charges payable	(2)	(2)
Annual service fees payable	(988)	(987)

During the years ended 31 December 2025 and 2024, the Fund entered into forward exchange contracts with The Hongkong and Shanghai Banking Corporation Limited, a connected person of the Trustee, with realised loss amounting to US\$1,953,801 (2024: US\$6,022,456). As at 31 December 2025 the Fund held the outstanding forward exchange contracts as financial assets US\$1,041,996 (2024: US\$9,187) and financial liabilities US\$61,955 (2024: US\$389,341) respectively with The Hongkong and Shanghai Banking Corporation Limited.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 RELATED PARTY TRANSACTIONS/TRANSACTIONS WITH THE TRUSTEE, THE MANAGER AND THEIR CONNECTED PERSONS (Continued)

(h) Other transactions with the related party of the Manager

During the years ended 31 December 2025 and 2024, the Fund had the following transactions with the related party of the Manager. All such transactions were entered into in the ordinary course of business and were on normal commercial terms.

	2025 <i>US\$</i>	2024 <i>US\$</i>
GF Securities (Hong Kong) Brokerage Limited		
Total commission paid	80,692	91,554
The total aggregate value of the purchases and sales	78,725,656	112,574,247
Average rate of commission	0.10%	0.08%
% of transactions to the total purchases and sales of the Fund	5.25%	4.15%

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 TAXATION

(a) Hong Kong

No provision for Hong Kong profits tax has been made as the dividend and interest income and realised gains on sales of investments of the Fund are excluded from the charge to profits tax under Section 14, 26 or 26A of the Hong Kong Inland Revenue Ordinance.

(b) People's Republic of China ("PRC")

In preparing these financial statements, the Manager has made certain assumptions and used various estimates concerning the tax exposure which is dependent on what might happen in the future. The resulting accounting estimates may not equal the related actual results.

The Fund invests in various derivative instruments linked to "A" shares of companies listed in the PRC and in "A" shares through Stock Connect. Prior to 17 November 2014, a 10% tax was withheld by the relevant Qualified Foreign Institutional Investors ("QFIIs") on all PRC sourced dividends and realised capital gains. With effect from 17 November 2014, a 10% tax is only withheld on all PRC sourced dividends only.

Capital gains tax on A-shares in PRC

According to Caishui [2014] No. 81 and Caishui [2016] No. 127, capital gains derived by overseas investors from the trading of China A Shares via Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect are temporarily exempt from PRC corporate income tax.

The Fund invests in A-shares traded via Shanghai-Hong Kong Stock Connect/Shenzhen-Hong Kong Stock Connect is subjected to 10% WIT on dividend income derived from the shares. WIT was charged on dividend income received from the shares during the years ended 31 December 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 TAXATION (Continued)

(b) People's Republic of China ("PRC") (Continued)

Capital gains tax on H-shares in PRC

The Fund has investments in shares of companies in PRC listed on the Hong Kong Stock Exchange ("H-shares"). Under general taxing provisions of the Corporate Income Tax Law ("CIT Law"), a Fund could be technically subject to 10% withholding income tax ("WIT") on the PRC sourced capital gains, unless exempt or reduced under relevant double tax treaties. However, there may be practical difficulty for the PRC tax authorities to impose and collect WIT on such capital gains. The 10% WIT has not been strictly enforced by local tax bureau on capital gains derived by non-tax resident enterprises of the PRC from the trading of H-shares. Where capital gains are derived from trading of H-shares, VAT in general is not imposed as the purchase and disposal are often concluded and completed outside the PRC.

No provision was made for taxation from such gains in the financial statements as the Manager believes that the taxation on capital gains derived from H-shares is not probable under the current enforcement environment.

(c) Other jurisdictions

Overseas withholding tax was charged on certain dividend and investment income received during the years ended 31 December 2025 and 2024.

9 TRANSACTION COSTS

During the years ended 31 December 2025 and 2024, following transaction costs were incurred by the Fund.

	2025	2024
	<i>US\$</i>	<i>US\$</i>
Brokerage fees	1,718,412	2,888,505
Other transaction costs	1,305,443	2,705,130
Transaction handling fees	48,573	29,858
	<u>3,072,428</u>	<u>5,623,493</u>

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 DISTRIBUTION TO DISTRIBUTION CLASSES

As referred to in note 6, the Manager may determine to make a distribution out of the net income and/or capital attributable to Distribution Classes. The table below summarises the dividend distribution made during the reporting period. The distribution is included in the statement of comprehensive income and is made to the Distribution Classes only.

	2025 US\$	2024 US\$
Total comprehensive income for the year	<u>289,594,617</u>	<u>84,351,543</u>
Distributions to Distribution Classes unitholders during the year	<u>1,360,431</u>	<u>1,826,276</u>

The Fund has no undistributed net income at the beginning of the year and at the end of the year.

The table below summarises the dividend distribution made during the reporting period.

Classes	2025	2024	Frequency	Ex-dividend dates*
C Units MDis USD	USD0.0196	USD0.0196	Monthly	Last business day of January to December
C Units MDis HKD	HKD0.0194	HKD0.0194	Monthly	Last business day of January to December
C Units MDis RMB	RMB0.0209	RMB0.0067	Monthly	Last business day of January to July
C Units MDis RMB	RMB0.0209	RMB0.0209	Monthly	Last business day of August to December
C Units MDis RMB Hedged	RMB0.0063	RMB0.0063	Monthly	Last business day of January to December
D Units MDis USD	USD0.0222	-	Monthly	Last business day of March to December
D Units MDis HKD	HKD0.0220	-	Monthly	Last business day of March to December
D Units MDis RMB Hedged	CNH0.0076	-	Monthly	Last business day of March to December

* Last business day of each month in 2025 are 28 January 2025, 28 February 2025, 31 March 2025, 30 April 2025, 30 May 2025, 30 June 2025, 31 July 2025, 29 August 2025, 30 September 2025, 31 October 2025, 28 November 2025 and 31 December 2025.

Last business day of each month in 2024 are 31 January 2024, 29 February 2024, 28 March 2024, 30 April 2024, 31 May 2024, 28 June 2024, 31 July 2024, 30 August 2024, 30 September 2024, 31 October 2024, 29 November 2024 and 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 SOFT DOLLAR ARRANGEMENTS

The Manager and/or any company associated with it and its delegates may enter into soft dollars/commission sharing arrangements with brokers through which brokerage transactions are entered on behalf of clients under management. The Manager may receive, and are entitled to retain, research products and services (known as soft dollar benefits) which are of demonstrable benefit to the Fund (as may be permitted under applicable rules and regulations) from brokers and other persons through whom investment transactions are carried out (the “brokers”). Soft dollars may be received from them provided that the quality of transaction execution is consistent with best execution standards and brokerage rates are not in excess of the customary full-service brokerage rates.

Such soft dollar benefits may include research and advisory services; economic and political analysis; portfolio analysis, including valuation and performance measurement; market analysis, data and quotation services and software incidental to the above goods and services; clearing and custodian services and investment related publications. For the avoidance of doubt, soft dollar benefits do not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employee salaries or direct money payments.

The Manager will consider many judgemental factors deemed relevant in determining whether a broker will provide best execution. In general, investment orders will be allocated to brokers based on the range and overall quality of services offered by the broker. The core factors in determining the quality of services are the execution performance and capability of the broker. Other factors, such as the quality and quantity of research and investment ideas offered, access to potential investee companies and commission rate charges, would also be taken into consideration. Soft dollar benefits received from brokers should not be a determinant factor on allocating orders among brokers. The Manager has implemented policies and procedures to ensure that transactions executed with brokers pursuant to a soft dollar commission sharing arrangement are conducted in the best execution standard. Soft dollars benefits received by the Manager are used to facilitate in the Manager's investment management process, such benefits assist the Manager in fulfilling its overall duty to clients and may be used in servicing any or all of the Manager's client accounts over which the Manager exercises investment discretion. The Manager does not usually attempt to allocate/attribute the soft dollar benefits to individual client account, as goods and services obtained may be beneficial to all clients in general, including those client accounts that do not generate credit to acquire the soft dollar benefits.

For the year ended 31 December 2025, the Manager obtained the services through soft dollar arrangements on transactions amounting to US\$849,397,956 (2024: US\$1,502,267,179). The related commission that have been paid by the Fund for these transactions amounted to US\$1,101,477 (2024: US\$2,006,832).

12 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Trustee and the Manager on 23 April 2026.

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 31 DECEMBER 2025

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Listed equity securities			
China			
Anji Microelectronics Technology (Shanghai) Co.Ltd. Class A	115,259	3,595,883	0.33
Co., Ltd. Class A	838,400	2,036,886	0.19
Contemporary Amperex Technology Co., Limited Class A	531,500	27,945,410	2.55
Foxconn Industrial Internet Co., Ltd. Class A	983,521	8,736,933	0.80
Jiangsu Hengrui Pharmaceuticals Co., Ltd. Class A	692,914	5,909,361	0.54
KPC Pharmaceuticals, Inc. Class A	1,915,109	3,443,632	0.31
Kweichow Moutai Co., Ltd. Class A	114,678	22,610,200	2.06
Luxshare Precision Industry Co. Ltd. Class A	326,300	2,649,173	0.24
NAURA Technology Group Co Ltd Class A	113,243	7,442,748	0.68
Ningbo Tuopu Group Co., Ltd. Class A	242,900	2,683,897	0.24
Sany Heavy Industry Co., Ltd. Class A	1,293,200	3,911,999	0.36
Shengyi Technology Co., Ltd. Class A	263,902	2,697,959	0.25
Shennan Circuit Co., Ltd. Class A	141,660	4,710,981	0.43
Sichuan Kelun Pharmaceutical Co., Ltd. Class A	876,357	3,682,330	0.34
Sungrow Power Supply Co., Ltd. Class A	159,200	3,898,292	0.36
Wus Printed Circuit (Kunshan) Co., Ltd. Class A	410,600	4,295,282	0.39
Zhongji Innolight Co., Ltd. Class A	29,200	2,550,036	0.23
		<u>112,801,002</u>	<u>10.30</u>

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 31 DECEMBER 2025

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed equity securities (Continued)			
<i>Hong Kong – H Shares</i>			
Agricultural Bank of China Limited Class H	18,852,000	13,998,620	1.28
Aluminum Corporation of China Limited Class H	1,022,000	1,597,870	0.15
BYD Company Limited Class H	677,700	8,301,530	0.76
China Construction Bank Corporation Class H	15,579,000	15,390,966	1.40
China International Capital Corp. Ltd. Class H	2,288,400	5,753,376	0.53
China Merchants Bank Co., Ltd. Class H	5,238,000	35,530,341	3.24
China Pacific Insurance (Group) Co., Ltd. Class H	1,096,000	4,956,250	0.45
China Telecom Corp. Ltd. Class H	23,020,000	15,940,210	1.45
China Tower Corp. Ltd. Class H	2,118,500	3,146,200	0.29
CIG Shanghai Co., Ltd. Class H	77,200	927,318	0.08
Fuyao Glass Industry Group Co., Ltd. Class H	742,800	6,412,703	0.59
Industrial and Commercial Bank of China Limited Class H	17,220,000	13,915,017	1.27
Jiangsu Hengrui Pharmaceuticals Co., Ltd. Class H	383,600	3,511,264	0.32
Ping An Insurance (Group) Company of China, Ltd. Class H	1,870,500	15,655,686	1.43
Sany Heavy Industry Co., Ltd. Class H	2,338,000	6,788,173	0.62
Sichuan Kelun-Biotech Biopharmaceutical Co., Ltd. Class H	40,500	2,040,622	0.19
Zijin Mining Group Co., Ltd. Class H	14,828,000	67,930,354	6.20
		221,796,500	20.25
<i>Hong Kong – Red Chips</i>			
BOC Hong Kong (Holdings) Limited	379,000	1,919,357	0.18
China Mobile Limited	2,454,500	25,762,325	2.35
China Resources Mixc Lifestyle Services Ltd.	729,400	4,023,720	0.37
SIIC Environment Holdings Ltd.	202,515,980	28,098,492	2.56
		59,803,894	5.46

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 31 DECEMBER 2025

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed equity securities (Continued)			
<i>Hong Kong - Others</i>			
3SBio, Inc.	408,000	1,267,408	0.12
Abbisko Cayman Limited	9,429,000	15,759,517	1.44
AIA Group Limited	1,012,400	10,391,994	0.95
Akeso, Inc.	516,000	7,490,798	0.68
Alibaba Group Holding Limited	4,329,600	79,428,424	7.25
ANTA Sports Products Ltd.	674,200	6,976,768	0.64
BeOne Medicines Ltd.	822,100	18,936,726	1.73
CSPC Pharmaceutical Group Limited	4,842,000	5,243,875	0.48
Duality Biotherapeutics, Inc.	131,500	5,037,712	0.46
H World Group Limited	740,700	3,511,306	0.32
HKT Trust and HKT Ltd	2,072,000	3,063,833	0.28
Hong Kong Exchanges & Clearing Ltd.	309,200	16,190,998	1.48
JD Health International, Inc.	311,500	2,221,012	0.20
Meituan Class B	588,000	7,803,288	0.71
NetEase Cloud Music Inc.	119,100	2,845,933	0.26
Netease Inc	736,900	20,316,002	1.85
Peijia Medical Ltd.	1,459,000	1,126,496	0.10
Pop Mart International Group Limited	142,000	3,424,148	0.31
Techtronic Industries Co., Ltd.	498,000	5,751,604	0.53
Tencent Holdings Ltd	1,329,400	102,301,608	9.34
Tongcheng Travel Holdings Limited	939,600	2,708,731	0.25
Trip.com Group Ltd.	113,000	8,042,446	0.73
Uni-President China Holdings Ltd.	1,468,000	1,533,263	0.14
Xiaomi Corporation Class B	1,742,400	8,797,117	0.80
		340,171,007	31.05

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 31 DECEMBER 2025

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed equity securities (Continued)			
<i>Taiwan</i>			
Accton Technology Corp.	298,000	11,240,809	1.03
Acter Group Corporation Limited	523,000	13,002,165	1.19
Asmedia Technology Inc.	126,000	4,853,097	0.44
ASPEED Technology, Inc.	7,000	1,617,699	0.15
Delta Electronics, Inc.	310,000	9,502,785	0.87
Dynamic Holding Co Ltd	393,000	1,595,018	0.15
Elite Material Co., Ltd.	483,000	25,291,580	2.31
Gigabyte Technology Co., Ltd.	766,000	6,083,622	0.55
Hon Hai Precision Industry Co., Ltd.	2,008,000	14,733,217	1.34
Hon. Precision, Inc.	43,000	4,688,047	0.43
Jentech Precision Industrial Co., Ltd	35,000	3,058,252	0.28
King Yuan Electronics Co., Ltd.	1,664,000	13,109,661	1.20
MediaTek Inc	374,000	17,024,351	1.55
Mega Union Technology, Inc.	283,000	6,233,837	0.57
Quanta Computer Inc.	683,000	5,913,608	0.54
Taiwan Semiconductor Manufacturing Co., Ltd.	2,207,000	108,892,249	9.94
Taiwan Union Technology Corporation	942,000	14,812,924	1.35
Tripod Technology Corporation	1,130,000	11,420,500	1.04
Wistron Corporation	3,550,940	17,011,506	1.55
Wiwynn Corporation	131,000	18,702,371	1.71
		<u>308,787,298</u>	<u>28.19</u>

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 31 DECEMBER 2025

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed equity securities (Continued)			
<i>The United States of America</i>			
Atour Lifestyle Holdings Ltd. Sponsored ADR	148,075	5,834,155	0.53
Full Truck Alliance Co. Ltd. Sponsored ADR	435,154	4,669,202	0.43
Luckin Coffee, Inc. Sponsored ADR	106,313	3,561,486	0.33
PDD Holdings Inc. Sponsored ADR Class A	78,387	8,888,302	0.81
		<u>22,953,145</u>	<u>2.10</u>
Unlisted equity security			
EganaGoldpfeil Holdings Ltd	6,885,464	<u>-</u>	<u>-</u>
Forward exchange contracts			
		<u>1,041,996</u>	<u>0.09</u>
Total financial assets at fair value through profit or loss			
		1,067,354,842	97.45
Forward exchange contracts			
		<u>(61,955)</u>	<u>(0.01)</u>
Total financial liabilities at fair value through profit or loss			
		<u>(61,955)</u>	<u>(0.01)</u>
Total investments, net			
		<u>1,067,292,887</u>	<u>97.44</u>
Total investments, at cost			
		<u>842,280,278</u>	

INVESTMENT PORTFOLIO MOVEMENTS (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2025

	% of net assets	
	2025	2024
Listed equity securities		
China	10.30	9.51
Hong Kong		
– H shares	20.25	20.47
– Red chips	5.46	6.32
– Others	31.05	40.89
Taiwan	28.19	16.32
The United States of America	2.10	4.88
	97.35	98.39
Foreign exchange contracts	0.09	–
	97.44	98.39
Participation notes	–	0.52
Unlisted equity securities	–	0.00
Forward exchange contracts	(0.01)	(0.05)
Total investments, net	97.43	98.86

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED)

AS AT 31 DECEMBER 2025

Financial assets:

Forward exchange contracts

Currency sold	Amount Sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
USD	7,044	CNH	49,261	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	21
USD	8,596,079	CNH	60,331,803	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	57,736
USD	384	AUD	579	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	2
AUD	64,389	USD	43,163	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	132
USD	25,171,911	AUD	37,921,497	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	171,064
CAD	86,886	USD	63,593	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	123
USD	8,963,243	CAD	12,317,172	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	34,352
NZD	109,270	USD	63,337	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	253
USD	5,243	CNH	36,839	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	41
USD	8,394,794	CNH	58,922,439	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	56,866
USD	124	CNH	874	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	1
USD	368,957	CNH	2,589,678	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	2,499
USD	18,085	CNH	126,939	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	123
USD	111,635	CNH	783,558	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	756
USD	56,140	AUD	84,519	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	344

**DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS
(UNAUDITED) (Continued)**

AS AT 31 DECEMBER 2025

Financial assets: (Continued)

Forward exchange contracts

Currency sold	Amount Sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
USD	1,032,852	AUD	1,555,993	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	7,019
USD	79,152	CAD	108,770	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	303
USD	141,533	CNH	986,842	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	17
USD	36,491	CNH	256,155	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	251
USD	57,175	CNH	401,235	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	377
USD	55,618	CNH	388,774	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	147
USD	25,773	CNH	180,898	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	174
USD	88,353	CNH	618,868	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	415
USD	13,532	CNH	94,628	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	41
USD	74,620	CNH	523,905	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	527
USD	9,837	CNH	69,082	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	72
USD	12,966	CNH	91,101	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	102
USD	104,552,900	CNH	733,849,069	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	708,238
						<u>1,041,996</u>

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED) (Continued)

AS AT 31 DECEMBER 2025

Financial liabilities:

Forward exchange contracts

Currency sold	Amount sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
USD	127	HKD	990	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	-
USD	334	HKD	2,597	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	-
USD	6,159,547	HKD	47,857,336	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(4,341)
CNH	57,787	USD	8,228	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(61)
AUD	193,100	USD	127,588	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(1,461)
AUD	8,886	USD	5,870	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(68)
USD	201	AUD	300	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(1)
USD	641	NZD	1,106	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(2)
USD	5,768,820	NZD	9,948,489	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(25,359)
CNH	407,371	USD	57,995	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(437)
AUD	163,405	USD	108,654	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(549)
USD	1,044	NZD	1,802	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(4)
CNH	1,641,772	USD	235,391	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(100)
CNH	3,518,366	USD	501,048	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(3,616)
CNH	6,644,037	USD	946,311	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(6,690)

**DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS
(UNAUDITED) (Continued)**

AS AT 31 DECEMBER 2025

Financial liabilities: (Continued)

Forward exchange contracts

Currency sold	Amount sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
CNH	2,058,201	USD	294,266	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(956)
CNH	3,656	USD	521	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(4)
CNH	64,138	USD	9,154	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(46)
CNH	7,862,892	USD	1,123,982	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(3,848)
CNH	1,810,156	USD	257,681	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(1,962)
CNH	3,597,543	USD	512,239	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(3,782)
CNH	7,493,500	USD	1,066,178	30 January 26	The Hongkong and Shanghai Banking Corporation Limited	(8,668)
						<u>(61,955)</u>

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

INFORMATION ON EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2025

The lowest, highest and average gross exposure arising from the use of financial derivative instruments for any purpose as a proportion to the Fund's total net asset value for the years ended 31 December 2025 and 2024.

	2025	2024
Lowest gross exposure	10.47%	10.47%
Highest gross exposure	49.39%	40.60%
Average gross exposure	19.17%	16.64%

The lowest, highest and average net exposure arising from the use of financial derivative instruments for investment purpose as a proportion to the Fund's total net asset value for the years ended 31 December 2025 and 2024.

	2025	2024
Lowest net exposure	–	–
Highest net exposure	0.70%	1.83%
Average net exposure	0.12%	0.26%

PERFORMANCE RECORD (UNAUDITED)

Net assets (at last traded price)

	2025	2024	2023
Net assets	1,095,383,920	US\$824,024,360	US\$893,894,819
Net asset value per unit			
A Units	USD507.30	USD368.77	USD329.72
B Units	USD218.86	USD159.89	USD143.68
C Units AUD Hedged	AUD18.95	AUD14.17	USD17.97
C Units CAD Hedged	CAD19.75	CAD14.77	CAD13.44
C Units HKD Hedged	HKD17.29	HKD12.84	HKD11.69
C Units MDis HKD	HKD10.41	HKD7.78	HKD7.26
C Units MDis RMB	RMB10.90	RMB8.58	RMB7.62
C Units MDis RMB Hedged	RMB9.65	RMB7.33	RMB6.87
C Units MDis USD	USD10.45	USD7.83	USD7.27
C Units NZD Hedged	NZD20.26	NZD15.23	NZD13.82
C Units RMB	CNH19.67	RMB15.14	RMB13.21
C Units RMB Hedged	RMB17.48	RMB13.17	RMB12.18
C Units USD	USD27.38	USD20.00	-
D Units USD	USD12.04	-	-
D Units AUD Hedged	AUD11.90	-	-
D Units CAD Hedged	CAD11.86	-	-
D Units HKD	HKD12.06	-	-
D Units MDis HKD	HKD11.81	-	-
D Units MDis RMB Hedged	CNH11.62	-	-
D Units MDis USD	USD11.78	-	-
D Units NZD Hedged	NZD11.86	-	-
D Units RMB Hedged	RMB11.71	-	-
P Units RMB Hedged	RMB12.9312	RMB9.7482	RMB9.0267
P Units RMB Unhedged	RMB14.4144	RMB11.1076	RMB9.6877
P Units HKD	HKD10.0046	-	-
P Units USD	USD11.0104	USD8.1294	USD7.3094
X Units	USD16.63	USD11.99	USD10.64
Z Units	USD15.01	USD10.91	USD9.84

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

PERFORMANCE RECORD (UNAUDITED) (Continued)

Performance record for the past 10 years

	Highest issue price per unit									
			C Units		C Units	C Units	C Units	C Units	C Units	C Units
	A Units	B Units	C Units	C Units	AUD	CAD	HKD	NZD	RMB	MDis
	USD	USD	USD	RMB	Hedged	Hedged	Hedged	Hedged	Hedged	USD
	USD	USD	USD	RMB	AUD	CAD	HKD	NZD	RMB	USD
2025	522.54	225.71	28.30	20.59	19.67	20.53	17.91	21.07	18.19	10.86
2024	420.30	182.45	22.82	16.65	16.22	16.92	14.69	17.43	15.13	9.01
2023	396.67	173.65	21.72	15.16	16.08	16.44	14.30	16.92	15.15	9.06
2022	481.36	211.86	26.50	17.41	20.31	20.39	17.59	21.08	18.70	11.37
2021	620.31	274.12	34.35	23.00	26.79	26.73	22.84	27.79	24.00	15.10
2020	516.47	228.34	28.61	19.31	22.35	22.25	19.00	23.15	19.94	12.58
2019	375.76	166.66	20.93	15.04	16.97	16.61	14.05	17.66	14.50	9.54
2018	412.64	184.71	23.16	15.31	19.23	18.76	15.93	19.69	16.04	11.35
2017	380.23	170.37	21.34	14.41	17.85	17.14	14.69	18.35	14.80	10.55
2016	281.21	126.76	15.99	10.93	13.17	12.83	10.84	13.21	10.49	-

	Highest issue price per unit									
	C Units	C Units	C Units	D Units	D Units	D Units	D Units	D Units	D Units	D Units
	MDis	MDis	MDis RMB			AUD	CAD	NZD	RMB	MDis
	HKD	RMB	Hedged			Hedged	Hedged	Hedged	Hedged	HKD
	HKD	RMB	RMB			AUD	CAD	NZD	RMB	HKD
2025	10.81	11.48	10.06	12.45	12.47	12.37	12.34	12.27	12.21	12.28
2024	8.95	9.50	8.45	-	-	-	-	-	-	-
2023	9.06	8.88	8.67	-	-	-	-	-	-	-
2022	11.33	10.50	11.18	-	-	-	-	-	-	-
2021	14.91	14.15	14.82	-	-	-	-	-	-	-
2020	12.44	11.93	12.31	-	-	-	-	-	-	-
2019	9.46	9.77	9.34	-	-	-	-	-	-	-
2018	11.38	10.83	11.33	-	-	-	-	-	-	-
2017	10.54	10.52	10.52	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-

PERFORMANCE RECORD (UNAUDITED) (Continued)

Performance record for the past 10 years (Continued)

	Highest issue price per unit							
	D Units	D Units	P Units	P Units	P Units		X Units	Z Units
	MDis	MDis RMB			RMB	RMB		
	USD	Hedged			Hedged	Unhedged		
	USD	RMB	USD	HKD	RMB	RMB	USD	USD
2025	12.25	12.13	11.3748	10.2957	13.4248	15.1457	17.13	15.49
2024	-	-	9.2784	-	11.2056	12.2167	13.64	12.55
2023	-	-	8.7410	-	11.1077	10.9859	12.71	11.84
2022	-	-	10.2483	-	13.8451	12.7471	15.35	14.37
2021	-	-	-	-	17.4916	16.4926	20.23	18.50
2020	-	-	-	-	14.7665	14.0769	16.34	15.40
2019	-	-	-	-	10.7995	11.1842	11.27	11.38
2018	-	-	-	-	-	-	-	12.51
2017	-	-	-	-	-	-	-	11.52
2016	-	-	-	-	-	-	-	-

	Lowest issue price per unit									
	A Units	B Units	C Units	C Units	C Units	C Units	C Units	C Units	C Units	MDis
			USD	RMB	AUD	CAD	HKD	NZD	RMB	
			Hedged	Hedged	Hedged	Hedged	Hedged	Hedged	Hedged	
	USD	USD	USD	RMB	AUD	CAD	HKD	NZD	RMB	USD
2025	346.21	150.03	18.77	14.19	13.15	13.77	12.03	14.13	12.26	7.30
2024	304.02	132.45	16.57	12.33	11.96	12.38	10.77	12.73	11.22	6.70
2023	309.68	135.07	16.90	12.76	12.27	12.66	11.00	13.02	11.51	6.88
2022	264.69	116.02	14.51	10.88	10.87	11.03	9.57	11.40	10.25	6.09
2021	466.46	205.34	25.69	16.94	19.69	19.77	17.05	20.43	18.10	11.04
2020	285.45	126.47	15.88	11.68	12.69	12.52	10.66	13.25	11.00	7.16
2019	273.81	122.04	15.31	10.95	12.59	12.25	10.35	13.02	10.64	7.21
2018	278.60	124.19	15.58	11.14	12.82	12.48	10.54	13.26	10.81	7.37
2017	255.63	115.04	14.51	10.44	11.99	11.62	9.89	12.11	9.68	9.64
2016	281.21	126.76	15.99	10.93	13.17	12.83	10.84	13.21	10.49	-

VALUE PARTNERS CLASSIC FUND

(A Hong Kong Unit Trust)

PERFORMANCE RECORD (UNAUDITED) (Continued)

Performance record for the past 10 years (Continued)

	Lowest issue price per unit									
	C Units	C Units	C Units			D Units	D Units	D Units	D Units	D Units
	MDis	MDis	MDis RMB	D Units	D Units	AUD	CAD	NZD	RMB	MDis
	HKD	RMB	Hedged	USD	HKD	Hedged	Hedged	Hedged	Hedged	HKD
	HKD	RMB	RMB	USD	HKD	AUD	CAD	NZD	RMB	HKD
2025	7.25	7.98	6.82	8.27	8.27	8.24	8.28	8.25	8.25	8.25
2024	6.70	7.10	6.32	-	-	-	-	-	-	-
2023	6.88	7.37	6.51	-	-	-	-	-	-	-
2022	6.11	6.42	5.90	-	-	-	-	-	-	-
2021	11.00	10.23	10.86	-	-	-	-	-	-	-
2020	7.08	7.51	7.00	-	-	-	-	-	-	-
2019	7.19	7.36	7.13	-	-	-	-	-	-	-
2018	7.34	7.51	7.29	-	-	-	-	-	-	-
2017	9.67	9.59	9.63	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-

	Lowest issue price per unit							
	D Units				P Units			
	MDis	MDis RMB	P Units	P Units	RMB	RMB		
	USD	Hedged	USD	HKD	Hedged	Unhedged	X Units	Z Units
	USD	RMB	USD	HKD	RMB	RMB	USD	USD
2025	8.25	8.23	7.6261	8.8414	9.0785	10.4052	11.26	10.24
2024	-	-	6.7379	-	8.3089	9.0436	9.82	9.08
2023	-	-	6.8711	-	8.5306	9.3595	9.98	9.24
2022	-	-	5.9039	-	7.5944	7.9867	8.50	7.90
2021	-	-	-	-	13.4158	12.4374	14.87	13.93
2020	-	-	-	-	8.1712	8.6702	8.57	8.65
2019	-	-	-	-	8.9235	9.2481	9.21	8.30
2018	-	-	-	-	-	-	-	8.45
2017	-	-	-	-	-	-	-	9.96
2016	-	-	-	-	-	-	-	-