
Important

This document is important and requires your immediate attention. If you are in any doubt about the content of this document, you should seek independent professional financial advice.

13 November 2017

NOTICE TO SHAREHOLDERS – VALUE PARTNERS CHINA GREENCHIP FUND LIMITED (the “FUND”)

Dear Shareholders,

We are writing to notify you of the following changes to the Fund, which will take effect from 13 December 2017 (“**Effective Date**”), unless otherwise provided.

Capitalized terms used herein but not otherwise defined will have the same meaning as defined in the Explanatory Memorandum.

1. Change of Distribution Policy

Currently, dividends are paid out of the net distributable income of the Fund attributable to Class A2 QDis Shares (the “**Distribution Class**”) as permitted by the Articles of the Fund and the laws of the Cayman Islands.

In order to add flexibility to the Fund in making distributions for the Distribution Class, distributions may be paid from unrealised capital gains or other unrealised profits during the relevant financial year, undistributed net income and undistributed net realised capital gains or profits of the Fund brought forward from previous financial years and the share premium account of the Fund (“**Capital**”), with effect from the Effective Date if the net distributable income attributable to the Distribution Class during the relevant period is insufficient to pay distributions as declared. According to Article 156 of the Fund and upon obtaining legal advice, no dividend shall be declared or paid out of the par or nominal value of the Fund.

Shareholders should note that payment of distributions out of Capital amounts to a return or withdrawal of part of an investor’s original investment or from any capital gains attributable to that original investment. Any distributions out of the Fund’s Capital will result in an immediate reduction in the Net Asset Value per Share for the Shareholders of the Distribution Class and will reduce any capital appreciation for the shareholders of the Distribution Class.

The composition of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) Capital) (if any) for the past 12 months is available from the Manager on request and also on the Manager’s website www.valuepartners-group.com¹.

If there is any change to the distribution policy, prior approval will be sought from the SFC (if applicable), and Shareholders will receive at least one month’s prior written notification.

The risk disclosures in the Explanatory Memorandum will be enhanced by inserting new risk factors on “Distribution Risk” and “Payment of Distributions Out of Capital Risk”.

Please refer to the Explanatory Memorandum for further details regarding the change of distribution policy and the relevant risk factors.

¹ This website has not been reviewed or authorised by the SFC.

2. Adjustment to the issue price and redemption price for fiscal and other charges

Pursuant to the respective Articles 8(g) and 9A(b) of the Fund, the Directors may, in determining the issue price or redemption price of a Share (as the case may be), add to or deduct for the account of the Fund from the Net Asset Value per Share (before making any rounding adjustment) an amount which they consider to be an appropriate allowance (not exceeding 1% of the Net Asset Value per Share) for fiscal and purchase or sale charges which would be incurred by the Fund in investing subscription monies or realizing assets to meet redemption requests (as the case may be).

Please note that changes under sub-headings 1 and 2 will not materially prejudice the rights and interest of existing Shareholders.

3. Additional Means for the Publication of Suspension Notice

Any notice of suspension of the determination of Net Asset Value will be made available online at www.valuepartners-group.com, in addition to being published in the South China Morning Post and the Hong Kong Economic Times or such other newspapers as notified to the Shareholders. Please note that the website has not been reviewed or authorized by the SFC.

4. Change in Administrator

The existing Administrator of the Fund is Bank of Bermuda (Cayman) Limited (“**BBCL**”), which is a subsidiary of the Hongkong and Shanghai Banking Corporation Limited group (“**HSBC Group**”). As part of HSBC Group’s re-alignment of corporate strategy, BBCL will cease to be the Administrator of the Fund in favour of another subsidiary of the HSBC Group, namely, HSBC Trustee (Cayman) Limited (“**HKIC**”) with effect on and from 13 December 2017 (“**Effective Date for Change in Administrator**”).

The change of Administrator will be effected by way of a deed of novation whereby BBCL will agree to assign and transfer the rights, duties, obligations and liabilities of BBCL under the administration agreement dated 26 March 2007, as amended, entered into between BBCL and the Fund, to HKIC with effect from the Effective Date for Change in Administrator.

HKIC was incorporated in the Cayman Islands in 1981 and is regulated by the Cayman Islands Monetary Authority. It is licensed as an unrestricted trust company under the Banks and Trust Companies Law (as amended) of the Cayman Islands, as well as being licensed as a mutual fund administrator under the Mutual Funds Law. HKIC is an indirect wholly-owned subsidiary of HSBC Holdings plc, a public company incorporated in England and Wales. The HSBC Group is one of the largest banking and financial services organizations in the world with well-established businesses in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa.

The address of HKIC is P.O. Box 484, HSBC House, 68 West Bay Road, Grand Cayman, Cayman Islands KYI-1106.

With effect from the Effective Date for Change in Administrator, the principal office of the Fund will change to P.O. Box 484, HSBC House, 68 West Bay Road, Grand Cayman, Cayman Islands KYI-1106.

5. Other Updates on Disclosures

In addition, the Explanatory Memorandum will be amended to reflect additional disclosures and updates as summarized below:-

- (i) consolidation of previous changes to the Explanatory Memorandum as set out in the addenda;
- (ii) enhanced disclosures for compliance with the SFC’s minimum disclosure requirements (including enhanced disclosures on the Fund’s investment objective and investment approach);
- (iii) updated disclosures in the sub-section “Corporate Actions and Shareholders’ Meetings” in relation to the Shenzhen-Hong Kong Stock Connect;
- (iv) updated disclosures on PRC taxation and the risk factor headed “PRC tax risk”;
- (v) change of the Manager’s website from “www.valuepartners.com.hk” to “www.valuepartners.com”

- group.com”¹;
- (vi) removal of the disclosures relating to applications for subscription during the Initial Offer Period; and
 - (vii) updated disclosures relating to the change in Administrator, inter alia, the profile of the Administrator, principal office of the Fund, etc.

The latest consolidated Explanatory Memorandum and the updated Product Key Facts Statement of the Fund will be available on our website (www.valuepartners-group.com)¹ and for your inspection at the Manager’s office during normal business hours (except on Saturdays, Sundays and public holidays).

The costs incurred in relation to the above changes, except the change in Administrator, will be borne by the Fund. All costs and expenses associated with the change in Administrator will not be borne by the Fund or the Shareholders. Apart from the costs incurred in relation to the above changes, there will be no change in the fee structure and fee level payable by the Fund and the Shareholders.

The Manager accepts full responsibility for the accuracy of the information contained in this Notice and confirms, having made all reasonable enquiries, that to the best of its knowledge and believe there are no other facts the omission of which would make any statement in this Notice misleading as at the date of issuance.

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

Value Partners Limited