
Important

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

11 March 2013

NOTICE TO UNITHOLDERS – VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

Dear Unitholders

Notice of Addendum to the Explanatory Memorandum of the Trust (the “Notice”)

We are writing to notify you of certain changes which have been reflected in an addendum, dated 11 March 2013 (the “**Addendum**”) and U.S. Supplement, to the Explanatory Memorandum of the Trust dated 25 June 2011, as amended by addenda dated 22 November 2011, 24 August 2012 and 20 September 2012 (“**Explanatory Memorandum**”).

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

Your attention is drawn to some of the changes in the Addendum as described below. However, please note that all information provided herein is qualified in its entirety by the Addendum, the U.S. Supplement (described further below) and related documents and you should carefully read the Addendum attached hereto. The U.S. Supplement is available upon request.

Accepting US Investors

As a further measure to broaden our investors’ base and to achieve better economies of scale in terms of investments, the Manager has decided to accept subscriptions for Units from certain qualified US investors on a limited basis subject to the sole and absolute discretion of the Manager. The admission of such US investors will be permitted with a view that the Trust remains precluded from being required to register as an investment company under the U.S. Investment Company Act 1940, as amended. Accordingly, the Addendum updates relevant sections in the Explanatory Memorandum where appropriate (including the issuance of a U.S. Supplement, which potential US investors should read together with, and in conjunction to, the Addendum and the Explanatory Memorandum) to provide for the subscriptions for Units by such US investors. In addition, new application forms are now available in respect of applications for Units in the Trust. These comprise two separate application forms, one for qualified non-US investors and one for US investors. These are available from the Manager.

In connection with the acceptance of US investors, the Trust may be required to make certain U.S. regulatory and tax filings. In particular, the Manager expects that certain information about the Trust will be required to be disclosed on its Form ADV Part 1, which is filed with the U.S. Securities and Exchange Commission. In addition, the Trust expects to make a filing with the U.S. Internal Revenue Service to elect to be treated as a corporation for U.S. federal income tax purposes. However, this election is not expected to cause non-U.S. taxpayers to be subject to U.S. tax. The Manager further expects that it will be required to prepare, or cause to be prepared, certain reports required for such US investors to file their US tax returns. The Manager expects that US investors will bear the costs for the preparation of such reports.

New Unit Classes for Participation in New Issues

The Trust may invest in initial public offerings (sometimes referred to as “IPOs” or “new issues”) under the U.S. Financial Regulatory Authority (“FINRA”) Rule 5130. The Manager currently intends to issue Units only to investors eligible to participate in the profits and losses from “new issues” under FINRA Rules 5130 and 5131 (the “Rules”). As described in more detail in the Addendum, the Manager, however, has discretion to avail itself of one or more exemptions under the Rules and make other determinations in connection with the Rules.

Registration with the U.S. Commodity and Futures Trading Commission (“CFTC”)

The Manager has filed a notice with the CFTC under Rule 4.13(a)(3) to qualify as an exempt commodity pool operator in respect of the Trust and intends to operate the Trust in accordance with the provisions of CFTC Rule 4.13(a)(3). Accordingly, appropriate CFTC disclosure is reflected in the Addendum and the U.S. Supplement to reflect the Manager’s reliance on Rule 4.13(a)(3).

Foreign Account Tax Compliance (FATCA)

The Foreign Account Tax Compliance Act (“FATCA”) provisions under the U.S. Internal Revenue Code of 1986, as amended will impose new rules with respect to certain payments to non-U.S. persons which may affect the Trust. Disclosure regarding FATCA has been added to describe such rules, to clarify that Unitholders will be required to provide information to the Trust regarding their status under FATCA and, in the event any amounts are withheld from the Trust pursuant to FATCA as a result of a Unitholder’s failure to provide such information, to permit the Trust to take steps so that the withholding is economically borne by such Unitholder. You should note that the Trust and/or the Manager may contact you and request that you provide information, executed tax forms (such as Internal Revenue Service (“IRS”) Form W-9 or an applicable IRS Form W-8) or other documentation in order to confirm your status under FATCA.

Establishment of New Class of Units

We would like to inform you that the following Class of Units in the Trust is available for subscription:

| Features | Class Z |
|---|---|
| Minimum initial subscription | US\$10,000,000 (inclusive of any Preliminary Charge) |
| Minimum subsequent subscription | US\$100,000 (inclusive of any Preliminary Charge) |
| Minimum redemption | US\$100,000 (inclusive of the Redemption Charge) |
| Minimum holding for each Class of the Trust applicable to partial redemption, transfers and switching | US\$5,000,000 |
| Preliminary Charge on subscription | Up to 5.0 per cent. of the Issue Price |
| Switching fee | Currently Nil* |
| Redemption Charge | Currently Nil (Max. 5.0 per cent.) |
| Annual Management fee | 0.75 per cent. per annum (Max. 2.0 per cent.) |
| Performance fee | 15.0 per cent. of the increase in Net Asset Value per Unit in the relevant Class in the relevant performance period calculated annually on a high-on-high basis |

* Certain distributors may impose a charge for each switching of Units acquired through it for Units in another Class, which will be deducted at the time of the switching and paid to the relevant distributor.

Please refer to the Explanatory Memorandum and the Addendum for further details regarding the Class Z.

The latest addendum and the Explanatory Memorandum have been uploaded on our website (www.valuepartners.com.hk) and are available for your inspection at the Manager's office during normal business hours (except on Saturdays, Sundays and public holidays).

Thank you for your continued support. If you have any questions relating to the above, please contact us at (852) 2880-9263 or email to vpl@vp.com.hk.

The Manager accepts full responsibility for the accuracy of the information contained in this Notice.

Value Partners Limited