

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.

26 August 2013

NOTICE TO UNITHOLDERS – VALUE PARTNERS CLASSIC FUND

Dear Unitholders

Notice of reduction of Fees payable to the Trustee and FATCA disclosures (the “Notice”)

We are writing to notify you of certain changes to the Explanatory Memorandum of the Fund dated 15 October 2009, as amended by the notices dated 15 December 2009, 22 December 2009 and 24 December 2009, and the addenda dated 22 March 2010, 25 June 2011 and 22 November 2011 (“**Explanatory Memorandum**”). The changes made to the Explanatory Memorandum by this Notice shall take effect on the date of this Notice.

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

Reduction of Fees payable to the Trustee

The minimum Trustee fee of US\$4,000 per month will be waived and will no longer be applicable to the Fund.

Accordingly, the following language in the second sentence of the first paragraph of “Trustee Fee:” under the section “Fees and Expenses” on page 43 of the Explanatory Memorandum will be deleted in its entirety:

“provided that the aggregate Trustee fees payable to the Trustee in respect of the Fund for any month shall be no less than US\$4,000.”

Please note that the Trustee’s entitlement to a fixed annual fee of US\$3,000 remains unchanged.

The fee for the Trustee’s performance of the duties and functions of the Registrar will be reduced from the current rate of 0.075 per cent. per annum of the net asset value of the Fund to 0.03 per cent. per annum of the net asset value of the Fund to be paid to the Trustee (calculated and accrued on each Dealing Day and payable monthly in arrears).

Accordingly, the second paragraph of “Trustee Fee:” under the section “Fees and Expenses” on page 43 of the Explanatory Memorandum will be revised as follows:

“The Trustee performs the duties and functions of the Registrar and the Manager has agreed to a fee of 0.03 per cent. per annum of the net asset value of the Fund to be paid to the Trustee (calculated and accrued on each Dealing Day and payable monthly in arrears).”

Foreign Account Tax Compliance Act (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 Fund. Disclosure regarding FATCA will be added to describe such rules, to clarify that Unitholders will be required to provide information to the Fund regarding their status under FATCA.

The risk factor “Foreign Account Tax Compliance” will be inserted immediately after the risk factor “Valuation and Accounting” on page 23 of the Explanatory Memorandum as follows:

“Foreign Account Tax Compliance

Sections 1471 – 1474 (referred to as “FATCA”) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) will impose new rules with respect to certain payments to non-U.S. persons, such as the Fund, including interest and dividends from securities of U.S. issuers and gross proceeds from the sale of such securities. All such payments may be subject to withholding at a 30% rate, unless the recipient of the payment satisfies certain requirements intended to enable the Internal Revenue Service (the “IRS”) to identify U.S. persons (within the meaning of the Code) with interests in such payments. To avoid such withholding on payments made to it, a foreign financial institution (an “FFI”), such as the Fund (and, generally, other investment funds organized outside the U.S.), generally will be required to enter into an agreement (an “FFI Agreement”) with the IRS under which it will agree to identify its direct or indirect U.S. owners and report certain information concerning such U.S. owners to the IRS. The FFI Agreement will also generally require that an FFI withhold U.S. tax at a rate of 30% on certain payments to investors who fail to cooperate with certain information requests made by the FFI or on such payments made to investors that are FFIs that have not entered into an FFI Agreement with the IRS.

FATCA withholding will be effective with respect to payments, including U.S. source dividends and interest, made after 30 June 2014 (and after 31 December 2016 with respect to payments of gross proceeds from the sale of securities giving rise to dividends and interest). The first reporting deadline for FFIs that have entered into the FFI Agreement will be 31 March 2015 with respect to the 2014 calendar year.

The Cayman Islands government announced on 15 March 2013, that it would adopt a Model 1 intergovernmental agreement (an “IGA”) with the U.S. government for the implementation of the provisions of FATCA. Under this model of IGA, the Fund will generally be relieved from the obligation to enter into an FFI Agreement and will generally not be required to withhold tax on payments made to their investors provided that the Cayman Islands government and the Fund comply with the terms of the IGA.

However, if the Fund receives payments covered by FATCA, withholding may apply if it cannot satisfy the applicable requirements under the IGA or the Cayman Islands government is not in compliance with the IGA.

The Fund will endeavour to satisfy the requirements imposed under FATCA or the IGA to avoid any withholding tax. In the event that the Fund is not able to comply with the requirements imposed by FATCA or the IGA and the Fund does suffer US withholding tax on its investments as a result of non-compliance, the Net Asset Value of the Fund may be adversely affected and the Fund may suffer significant loss as a result.

To the extent that the Fund suffers withholding tax on its investments as a result of FATCA, the Trustee on behalf of the Fund, may, after completing due process to ascertain and confirm that the Unitholder has failed to cooperate and provide the required information, bring action against the Unitholder for losses suffered by the Fund as a result of such withholding tax.

Each prospective investor should consult with its own tax advisor as to the potential impact of FATCA in its own tax situation.”

This Notice constitutes an amendment to the Explanatory Memorandum and the latest Explanatory Memorandum have been uploaded on our website (www.valuepartners.com.hk) and is 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 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.

Value Partners Limited