

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

2023 **ANNUAL REPORT**

For the year ended
31 December 2023



Value Partners Hong Kong Limited

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VALUE PARTNERS HIGH-DIVIDEND STOCKS 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

Dato' Seri Cheah Cheng Hye
Mr. So Chun Ki Louis
Mr. Ho Man Kei, Norman

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
Cayman Islands

Registered address:

P.O. Box 309
Ugland House
George Town
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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

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GENERAL INFORMATION (Continued)

Recent awards and achievements

Fund award	
2022	<ul style="list-style-type: none"> AsianInvestor Asset Management Awards 2022 Asset Class Awards: Asia ex-Japan Equity – AsianInvestor
2017	<ul style="list-style-type: none"> Thomson Reuters Lipper Fund Awards 2017 Best Asia Pacific ex-Japan Equity (10 Years) – Thomson Reuters

Corporate award	
2023	<ul style="list-style-type: none"> The Lifetime Achievement Award Winner: Dato' Seri Cheah Cheng Hye – Asia Asset Management ESG Leading Enterprise Awards of the Year 2022/2023 Outstanding performance in Environmental, Social, and Governance ("ESG") initiatives – Master-Insight Best Exchange Traded Fund (ETF) Issuer 2022 Winner: Value Partners Malaysia – Bursa Malaysia Award Most Promising Overseas Investment Institution award – Insurance Asset Management Association of China ESG Elite Award (Distinction) ESG Achievement Awards 2022/2023 Winner: Frank Tsui – Institute of ESG & Benchmark and supported by Hang Seng Indexes Company Limited

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GENERAL INFORMATION (Continued)

Recent awards and achievements (Continued)

Corporate award	
2022	<ul style="list-style-type: none">• Asian Private Banker Asset Management Awards for Excellence 2022 Best Fund Provider - Multi-Asset Solution <i>– Asian Private Banker</i>• 2022 China Rankings Top 25 Foreign Firms in China Value Partners is ranked in the 16th <i>– Z-Ben Advisor</i>• AsianInvestor Asset Management Awards 2022 Asset Class Awards: Asia ex-Japan Equity <i>– AsianInvestor</i>
2021	<ul style="list-style-type: none">• Asian Private Banker Asset Management Awards for Excellence 2021 Best Fund Provider - High Yield Bond <i>– Asian Private Banker</i>• Listed Company Awards of Excellence 2021 Value Partners Group Limited: Outstanding Listed Company <i>–Hong Kong Economic Journal</i>

MANAGER'S REPORT

Global financial markets were volatile in 2023, driven by a number of uncertainties unfolding during the period, including the persistent inflationary pressure that led to one of the fastest and strongest monetary tightening cycles globally and ongoing geopolitical conflicts.

For the one-year period ending 31 December 2023, the Fund gained 4.1%. Since its inception, the Fund was up 835.4%. In comparison, the MSCI AC Asia ex Japan Index performed 6.0% and 465.9% over the same periods, respectively.

Market volatility remained in the Greater China equities market in the fourth quarter as the uneven macroeconomic conditions carried on towards the end of 2023. On the one hand, CPI figures remained sluggish, while the manufacturing PMI was disappointing in December, suggesting that demand continues to be weak. Additionally, the muted demand in the property market persisted. On the other hand, retail sales growth continued its upward momentum since the middle of the year, while exports have rebounded YoY in November, albeit both have somewhat benefited from a low base effect.

Separately, some concrete measures were unveiled to help support economic recovery. For example, Beijing and Shanghai relaxed property policies, including cuts to down payment ratios, to boost demand in the ailing property market. We would closely track the upcoming third plenum, which will likely be held in the coming quarter, as it may focus on structural economic reforms and to see whether there would be any additional policy support.

The Taiwan and Korean markets were more resilient in 2023, delivering double-digit returns. There are signs that global demand is recovering, with both markets' export growth seeing an upward trend towards the end of the year. In particular, technology-related products were bolstered by the rapid adoption and prevalence of artificial intelligence (AI) and other new technologies, including autonomous driving and electric vehicles (EVs), as well as augmented and mixed reality (AR/MR) devices. We believe these trends could continue to drive new business opportunities for tech companies in both markets.

Southeast Asian markets underperformed their regional peers as it was impacted by the US rate hikes and strong US dollar, although sentiment improved towards the end of the year following the US Fed's decision to hold interest rates. Within the region, we favor the Indonesia and the Philippines markets. Indonesia has a strong fiscal position and healthy credit growth, and further developments in the country's EV supply chain continue to be a growth driver. Meanwhile, corporate investment demand is expected to rise in the Philippines, given the easing interest rate environment.

India performed strongly in 2023, with foreign investors pouring in money in the market. That said, although the market has performed very well during the year, we are cautious about its extreme valuations. We also note that consumption growth has become uneven and is skewed to high-end discretionary spending. We remain selective in the market and continue to see opportunities in some utilities and energy names.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

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MANAGER'S REPORT (Continued)

Performance and strategy:

By listings, gains were recorded across most markets towards the end of the year on the back of improved external market conditions, driven by the US Fed's latest dot plot suggesting a close end to the central bank's interest rate hikes.

However, Chinese equities continued to trail the regional market performance due to the ongoing drag in the economy, leading to some detraction to the portfolio's performance. Among them, our holdings of financials, particularly Chinese insurance companies, were among the top detractors of the strategy's performance. Our exposure to an e-commerce player in China was also a source of detraction. The company's stock price was down following its announcement of a weak set of guidance for the next few quarters, as it plans to allocate more resources to defend its market share, which would impact its margins. We have exited from our position in this company, given the heightened uncertainties about its near-term profit margin. Additionally, our underweight in India (due to the lack of dividend opportunities in the market) dragged our relative performance compared to the broader Asia market, as the India equity market continued to perform strongly in the quarter.

On the positive side, our select holdings of regional information technology companies in South Korea and Taiwan continued to be among the main contributors to the Fund's performance, thanks to the improving outlook in the sector, particularly the potential turnaround of the consumer electronic downcycle and the positive momentum of AI and other emerging technologies. A leading Korean automobile manufacturer was also a key performance contributor, as it continued to see growing demand in the domestic and international markets.

Strategy outlook:

We expect volatility to persist in the short-to-medium term as uncertainties in the global economy, as well as ongoing concerns about China's uneven recovery, continue to linger. Nonetheless, we continue to view Asia as a bright spot for economic and earnings growth for 2024.

In China, despite the short-term headwinds from a still shaky property market, we are confident that the market offers a favorable risk-reward profile to long-term investors. We view that the combination of supportive policies, undemanding valuations, low investor positioning, and more favorable external conditions should help cushion any further significant downside in the market. Additionally, we continue to see select opportunities in other parts of the region, which continue to have strong domestic markets, making them more resilient against global headwinds.

Overall, stock selection remains crucial as we expect divergence in performances between different companies, even within the same sector/market. While we pay close attention to macroeconomic developments, we will continue to stick with our bottom-up selection approach.

MANAGER'S REPORT (Continued)

Top 10 securities holdings as at 31 December 2023

Stock	Industry	Valuation (2024 Estimates)	Remarks
<p>Samsung Electronics – Preference Shares (Code: 005935 KS)</p> <p>Market cap: US\$39.8 billion</p>	Technology, hardware and equipment	<p>Price: KRW62,300.0</p> <p>P/E: 12.7x</p> <p>P/B: 1.0x</p> <p>Yield: 2.4%</p>	<p>Samsung Electronics is a global leader in semis memory, OLED, smartphones, TVs and home appliances with a diversified global customer base. The Company's market-leading technologies, particularly its memory business, have gained a solid global market share. The business is set to benefit from growing storage and processing demand from data consumption and computation.</p>
<p>Taiwan Semiconductor Manufacturing (Code: 2330 TT)</p> <p>Market cap: US\$502.9 billion</p>	Semiconductors and semiconductor equipment	<p>Price: TWD593.0</p> <p>P/E: 15.6x</p> <p>P/B: 3.7x</p> <p>Yield: 2.2%</p>	<p>Taiwan Semiconductor Manufacturing is a world-class independent semiconductor foundry. It provides integrated circuit (IC) design houses with integrated services for process design, wafer manufacturing, and testing. As a global leader with more than 50% share of the outsourcing market, the company has consistently outperformed competitors in technology and profitability. We think the company is well-positioned to continue to benefit from the growing IC manufacturing outsourcing market and the rising demand for the Internet of Things trend, AI chips, and new application areas.</p>

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

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MANAGER'S REPORT (Continued)

Top 10 securities holdings as at 31 December 2023 (Continued)

Stock	Industry	Valuation (2024 Estimates)	Remarks
China Telecom Corp Ltd (Code: 728 HK) Market cap: US\$65.8 billion	Telecom services	Price: HK\$3.74 P/E: 9.4x P/B: 0.7x Yield: 7.5%	China Telecom (CT) is one of the three nationwide telecom operators in China and the incumbent fixed line carrier in the southern provinces. The telecom industry revenue continued to show improving dynamics. CT is benefitting from the higher pricing for 5G and a better competitive environment. We also believe more value should be ascribed to the IDC (Internet Data Center) and the cloud business of telcos. "Industrial Digitalization" is a good growth driver for the telcos, especially for CT as an incumbent fixed line operator.
China Construction Bank (Code: 939 HK) Market cap: US\$151.9 billion	Banks	Price: HK\$4.65 P/E: 3.1x P/B: 0.3x Yield: 9.8%	China Construction Bank ranks second in China in terms of assets and deposits. It has one of the best track records among large Chinese banks. The bank is well-balanced between growth, profitability, capital adequacy, and shareholders' returns, and has been a consistent leader in core profitability. Its core capital adequacy and reserve coverage are also some of the best among its peers. The bank has the largest existing mortgage exposure and longest mortgage duration, making it a defensive play in the banking space.

MANAGER'S REPORT (Continued)

Top 10 securities holdings as at 31 December 2023 (Continued)

Stock	Industry	Valuation (2024 Estimates)	Remarks
China State Construction International Holdings (Code: 3311 HK) Market cap: US\$5.8 billion	Capital goods	Price: HK\$9.03 P/E: 4.2x P/B: 0.6x Yield: 7.1%	China State Construction is engaged in infrastructure investment and construction projects. It is one of the largest general contractors in Hong Kong and Macau and a leading integrated urban investment operator in mainland China. CSCI's expertise in prefabrication construction has won the company orders in Hong Kong and Macau, and continues to see robust demand in the Greater Bay Area.
Unimicron Technology Corp (Code: 3037 TT) Market cap: US\$8.8 billion	Technology, Hardware and Equipment	Price: TWD176.0 P/E: 14.3x P/B: 2.4x Yield: 2.7%	Unimicron Technology is one of the major suppliers of semiconductor substrates, including Ajinomoto build-up films (ABFs) and BT substrates. It also produces printed circuit boards (PCBs). The company is well-positioned to benefit from the growing adoption of advanced packaging, which massively increases the usage and complexity of substrates.
Sinopharm Group Co (Code: 1099 HK) Market cap: US\$8.2 billion	Pharmaceuticals, biotechnology and life sciences	Price: HK\$20.45 P/E: 6.0x P/B: 0.7x Yield: 5.1%	Sinopharm Group is the largest wholesaler and retailer of pharmaceuticals, medical devices, and healthcare products in China. It is mainly engaged in the pharmaceutical and medical devices distribution business. As we expect China's pharmaceutical distribution industry to be more concentrated in the future, we view Sinopharm to benefit from this and win a larger share of the market, given its scale advantages in its sales network, hospital customer relationship, and costs.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

MANAGER'S REPORT (Continued)

Top 10 securities holdings as at 31 December 2023 (Continued)

Stock	Industry	Valuation (2024 Estimates)	Remarks
Kia Corp (Code: 000270 KS) Market cap: US\$31.2 billion	Automobiles and components	Price: KRW100,000.0 P/E: 4.1x P/B: 0.7x Yield: 5.7%	Kia is one of the largest automobile manufacturers in Korea and produces passenger sedans, MPVs, and SUVs. The company continues to see growing demand in both the domestic and international markets, including the US and India
KB Financial Group (Code: 105560 KS) Market cap: US\$16.9 billion	Banks	Price: KRW54,100.0 P/E: 3.9x P/B: 0.3x Yield: 6.7%	KB Financial Group is one of Korea's largest financial holding companies. It is a leader in retail banking in terms of branch network and customer base through its subsidiary, Kookmin Bank. The other major subsidiaries of KB Financial are KB Securities, KB Life, and KB Asset Management.
Far East Horizon (Code: 3360 HK) Market cap: US\$3.4 billion	Diversified Financials	Price: HK\$6.14 P/E: 3.2x P/B: 0.4x Yield: 9.0%	Far East Horizon is a conglomerate with businesses in financial and business advisory, which includes direct financial leasing, and industrial operations. Headquartered in Hong Kong, it has set up offices in more than 30 core cities in China and employs around 20,000 employees.

Note: The above investments made up 41.6% of Value Partners High-Dividend Stocks Fund as at 31 December 2023. The stock prices are based on the closing of 31 December 2023.

Individual stock performance/yield is not necessarily indicative of overall fund performance.

MANAGER'S REPORT (Continued)

Value Partners High-Dividend Stocks Fund – NAV as at 31 December 2023

Classes	NAV per unit
Class A1 USD	USD93.54
Class A1 HKD ^β (for reference only)	HKD730.6924
Class A Acc HKD Hedged	HKD8.08
Class A Acc RMB Hedged	RMB13.21
Class A Acc RMB Unhedged	RMB16.47
Class A2 MDis USD	USD8.98
Class A2 MDis HKD	HKD8.25
Class A2 MDis AUD Hedged	AUD7.10
Class A2 MDis CAD Hedged	CAD7.56
Class A2 MDis GBP Hedged	GBP7.09
Class A2 MDis NZD Hedged	NZD7.43
Class A2 MDis RMB Hedged	RMB7.58
Class A2 MDis RMB Unhedged	RMB8.80
Class A2 MDis SGD Hedged	SGD8.34
Class P MDis RMB	RMB9.551
Class P MDis RMB Hedged	RMB9.1965
Class P Acc RMB	RMB11.5248
Class P Acc RMB Hedged	RMB11.2155
Class X Acc USD Unhedged	USD16.83
Class Z	USD15.21

^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.

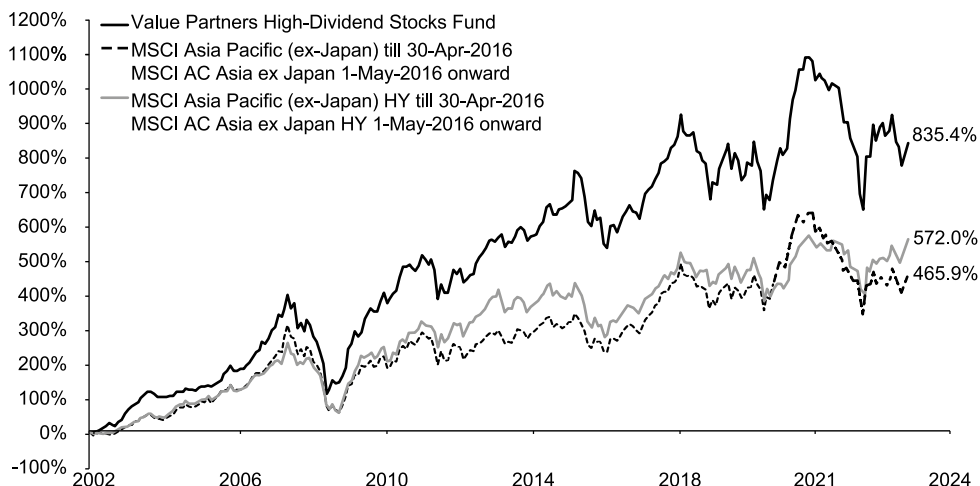
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MANAGER'S REPORT (Continued)

Performance since launch

From 2 September 2002 to 31 December 2023



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.

* MSCI AC Asia Pacific (ex-Japan) Index (Total Net Return) was used up to 30 Apr 2016, thereafter it is the MSCI AC Asia (ex-Japan) Index (Total Net Return) due to a change in investment profile. MSCI (Total Net Return) Indices takes into account of dividend reinvestment after deduction of withholding tax.

MSCI AC Asia Pacific (ex-Japan) High Dividend Yield Index (Total Net Return) was used up to 30 Apr 2016, thereafter it is the MSCI AC Asia (ex-Japan) High Dividend Yield Index (Total Net Return) due to a change in investment profile. MSCI (Total Net Return) Indices takes into account of dividend reinvestment after deduction of withholding tax.

Fund performance mentioned is referred to Value Partners High-Dividend Stocks Fund "A1" 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 2023. Performance data is net of all fees. All indices are for reference only.

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 7 August 2002, as further amended and / or supplemented from time to time ("Trust Deed") and Deed of retirement and appointment of Manager dated 31 March 2016 to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of Value Partners High-Dividend Stocks 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 31 March 2016 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 31 March 2016 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.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

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 High-Dividend Stocks Fund in accordance with the provisions of the Trust Deed dated 7 August 2002, as further amended and / or supplemented from time to time ("Trust Deed") and Deed of retirement and appointment of Manager dated 31 March 2016 for the year ended 31 December 2023.

For and on behalf of

HSBC Institutional Trust Services (Asia) Limited

Trustee

25 April 2024

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF VALUE PARTNERS HIGH-DIVIDEND STOCKS 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 High-Dividend Stocks Fund (the "Fund"), which are set out on pages 19 to 62, comprise:

- the statement of financial position as at 31 December 2023;
- 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 2023, 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.

Independence

We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND (Continued)

(A unit trust established in Hong Kong)

Report on the Audit of the Financial Statements (Continued)

Other Information

The Trustee and the Manager (the "Management") of the Fund are 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.

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 7 August 2002, 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").

**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF VALUE PARTNERS HIGH-DIVIDEND STOCKS 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***

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.

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.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

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INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF VALUE PARTNERS HIGH-DIVIDEND STOCKS 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)

- 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.

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, 25 April 2024

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note(s)	2023 US\$	2022 US\$
Assets			
Current assets			
Financial assets at fair value through profit or loss	4(d)	1,433,995,849	1,368,180,019
Amounts receivable on sales of investments		71,520	736,536
Amounts receivable on issue of units		3,495,830	3,901,755
Dividends, interest and other receivables	7(f)	4,745,304	1,852,156
Margin deposits		2,978	2,834
Cash and cash equivalents	7(f)	22,585,201	50,836,366
Total assets		<u>1,464,896,682</u>	<u>1,425,509,666</u>
Liabilities			
Current liabilities			
Financial liabilities at fair value through profit or loss	4(d)	25,578	299,907
Amounts payable on purchase of investments		17,765,509	1,574,369
Amounts payable on redemption of units		5,313,526	2,851,883
Management fees payable	7(a)	1,478,087	1,512,595
Distributions payable		4,271,576	4,129,763
Accruals and other payables	7(f)	244,647	352,085
Liabilities (excluding net assets attributable to unitholders)		<u>29,098,923</u>	<u>10,720,602</u>
Net assets attributable to unitholders	6	<u>1,435,797,759</u>	<u>1,414,789,064</u>

Signed by:

Value Partners Hong Kong Limited, Manager

HSBC Institutional Trust Services (Asia) Limited, Trustee

The notes on pages 26 to 62 are an integral part of these financial statements.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note(s)	2023 US\$	2022 US\$
Income			
Dividends		66,197,656	70,219,902
Interest on bank deposits	7(f)	241,005	236,788
Net realised losses on investments		(60,410,060)	(128,006,800)
Change in unrealised gains/losses on investments		79,977,707	(278,558,446)
Net foreign exchange losses		(1,682,026)	(1,646,343)
Other income		1	6
		<u>84,324,283</u>	<u>(337,754,893)</u>
Expenses			
Management fees	7(a)	(18,876,900)	(19,328,018)
Performance fees	7(b)	(141)	-
Transaction costs	7(f),9	(4,226,020)	(3,964,763)
Trustee and fund administration fees	7(c),7(f)	(1,936,743)	(1,986,601)
Interest expense	7(f)	(340,841)	(200,018)
Safe custody and bank charges	7(f)	(290,253)	(275,483)
Legal and professional fees		(64,335)	(31,351)
Auditor's remuneration		(37,281)	(37,220)
Other operating expenses	7(f)	(983,631)	(968,875)
		<u>(26,756,145)</u>	<u>(26,792,329)</u>
Profit/(loss) before tax		57,568,138	(364,547,222)
Withholding tax on dividends and other investment income	8(c)	(5,506,636)	(5,768,888)
Profit/(loss) after tax and before distributions		52,061,502	(370,316,110)
Distributions to unitholders	10	(51,405,368)	(49,919,560)
Increase/(decrease) in net assets attributable to unitholders from operations after distributions		<u>656,134</u>	<u>(420,235,670)</u>

The notes on pages 26 to 62 are an integral part of these financial statements.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 US\$	2022 US\$
Net assets attributable to unitholders as at beginning of the year	1,414,789,064	1,827,486,595
Issue of units	480,962,635	541,308,796
Redemption of units	(460,610,074)	(533,770,657)
Net increase from unit transactions	20,352,561	7,538,139
Profit/(loss) after tax and before distributions	52,061,502	(370,316,110)
Distributions to unitholders	(51,405,368)	(49,919,560)
Increase/(decrease) in net assets attributable to unitholders from operations after distributions	656,134	(420,235,670)
Net assets attributable to unitholders as at end of the year	1,435,797,759	1,414,789,064

The notes on pages 26 to 62 are an integral part of these financial statements.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

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

FOR THE YEAR ENDED 31 DECEMBER 2023

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
2023				
Class A1 USD	6,472,905	318,092	(876,924)	5,914,073
Class A Acc HKD Hedged	2,277,297	248,537	(2,000,000)	525,834
Class A Acc RMB Hedged	1,896,900	–	(15,375)	1,881,525
Class A Acc RMB Unhedged	32,389	14,600	(27,527)	19,462
Class A2 MDis USD	37,008,618	22,722,992	(22,915,728)	36,815,882
Class A2 MDis HKD	222,117,510	94,007,492	(59,777,647)	256,347,355
Class A2 MDis AUD Hedged	21,769,703	7,142,904	(5,561,690)	23,350,917
Class A2 MDis CAD Hedged	5,471,118	1,618,855	(1,667,050)	5,422,923
Class A2 MDis GBP Hedged	3,935,055	1,553,122	(1,232,276)	4,255,901
Class A2 MDis NZD Hedged	6,423,620	2,734,432	(2,300,129)	6,857,923
Class A2 MDis RMB Hedged	25,625,607	25,888,815	(9,913,539)	41,600,883
Class A2 MDis RMB Unhedged	2,659,360	3,982,715	(1,332,911)	5,309,164
Class A2 MDis SGD Hedged	1,230,259	1,278,337	(1,518,861)	989,735
Class P MDis RMB	104,047	234,337	(61,600)	276,784
Class P MDis RMB Hedged	77,038	715,962	(66,972)	726,028
Class P Acc RMB	158,444	378,490	(368,119)	168,815
Class P Acc RMB Hedged	339,881	432,237	(253,559)	518,559
Class X Acc USD Unhedged	16,818	9,800	(10,896)	15,722
Class Z	155,956	68,000	(42,000)	181,956

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
(Continued)***FOR THE YEAR ENDED 31 DECEMBER 2023*

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
2022				
Class A1 USD	7,116,124	837,469	(1,480,688)	6,472,905
Class A Acc HKD Hedged	2,215,346	124,844	(62,893)	2,277,297
Class A Acc RMB Hedged	1,940,014	98,764	(141,878)	1,896,900
Class A Acc RMB Unhedged	5	32,384	–	32,389
Class A2 MDis USD	36,753,617	25,008,846	(24,753,845)	37,008,618
Class A2 MDis HKD	197,220,104	73,842,051	(48,944,645)	222,117,510
Class A2 MDis AUD Hedged	19,826,053	6,335,455	(4,391,805)	21,769,703
Class A2 MDis CAD Hedged	4,773,107	1,689,640	(991,629)	5,471,118
Class A2 MDis GBP Hedged	3,416,864	1,410,399	(892,208)	3,935,055
Class A2 MDis NZD Hedged	4,663,486	3,446,886	(1,686,752)	6,423,620
Class A2 MDis RMB Hedged	15,093,201	18,689,799	(8,157,393)	25,625,607
Class A2 MDis RMB Unhedged	1,578,840	1,318,050	(237,530)	2,659,360
Class A2 MDis SGD Hedged	1,375,062	352,820	(497,623)	1,230,259
Class P MDis RMB	59,719	68,746	(24,418)	104,047
Class P MDis RMB Hedged	28,565	78,560	(30,087)	77,038
Class P Acc RMB	134,379	127,193	(103,128)	158,444
Class P Acc RMB Hedged	418,445	306,054	(384,618)	339,881
Class X Acc USD Unhedged	8,711	11,648	(3,541)	16,818
Class Z	1,066,573	–	(910,617)	155,956

The notes on pages 26 to 62 are an integral part of these financial statements.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 US\$	2022 US\$
Cash flows from operating activities		
Increase/(decrease) in net assets attributable to unitholders from operations	656,134	(420,235,670)
Adjustments for:		
Dividends and interest on bank deposits	(66,438,661)	(70,456,690)
Distributions to Unitholders	51,405,368	49,919,560
Withholding tax on dividends and other investment income	5,506,636	5,768,888
Interest expenses	340,841	200,018
	(8,529,682)	(434,803,894)
(Increase)/decrease in financial assets at fair value through profit or loss	(65,815,830)	431,834,065
(Decrease)/increase in financial liabilities at fair value through profit or loss	(274,329)	295,424
Decrease in amounts receivable on sales of investments	665,016	2,302,150
Increase in amounts payable on purchase of investments	16,191,140	768,927
Decrease in other receivables	1,184	46
Increase in margin deposits	(144)	(38)
Decrease in management fees payable	(34,508)	(411,630)
Decrease in performance fees payable	-	(11,395,867)
Decrease in accruals and other payables	(38,924)	(703)
Cash used in operations	(57,836,077)	(11,411,520)
Dividends and interest on bank deposits received	58,037,693	65,938,502
Interest expenses paid	(409,355)	(117,645)
Net cash (outflow)/inflow from operating activities	(207,739)	54,409,337

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

STATEMENT OF CASH FLOWS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	<i>US\$</i>	<i>US\$</i>
Cash flows from financing activities		
Distributions paid to Unitholders	(51,263,555)	(49,712,115)
Proceeds from issue of units	481,368,560	541,089,745
Payments on redemption of units	<u>(458,148,431)</u>	<u>(533,989,521)</u>
Net cash outflow from financing activities	<u>(28,043,426)</u>	<u>(42,611,891)</u>
(Decrease)/increase in cash and cash equivalents	(28,251,165)	11,797,446
Cash and cash equivalents as at beginning of the year	<u>50,836,366</u>	<u>39,038,920</u>
Cash and cash equivalents as at end of the year	<u><u>22,585,201</u></u>	<u><u>50,836,366</u></u>

The notes on pages 26 to 62 are an integral part of these financial statements.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Value Partners High-Dividend Stocks Fund (the “Fund”) is an open-ended unit trust established by the Trust Deed dated 7 August 2002 as further amended and / or supplemented from time to time (“Trust Deed”) 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 provide capital appreciation to unitholders by investing primarily (i.e. not less than 70% of the Fund’s NAV) in a portfolio of relatively higher yielding debt and equity securities in the Asian region. The Fund will concentrate on investing in interest-bearing or dividend distributing debt and equity securities of companies or issuers listed in the Asian markets or which, in the opinion of the Manager, derive a significant proportion of their earnings or revenues from Asia. There are no fixed geographical, sectoral or industry weightings in the allocation of assets and the Manager does not intend to follow benchmark indices in determining the geographical, sectoral or industry weightings of the Fund. For the avoidance of doubt, not less than 70% of the Fund’s NAV will be invested in equity securities. The Fund’s investment activities are managed by Value Partners Hong Kong Limited (the “Manager”) and the Fund’s administration is delegated to 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 International Financial Reporting Standards as issued by the IASB (“IFRS Accounting Standards”). 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.

Standards and amendments to existing standards effective 1 January 2023

The Fund has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2023:

- Definition of Accounting Estimates – amendments to IAS 8
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

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 2023 (Continued)

There are no material impact 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 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

(b) Investment entity

The Fund has been deemed to meet the definition of an investment entity per IFRS 10 “Consolidated Financial Statement” 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 the unconsolidated structure 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 its investment in investee funds to be investment 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 a group company 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 Manager and 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.

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-way 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 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 stated at fair value based on quoted prices inclusive of accrued interest.

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.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(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 losses 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.

(g) Transaction costs

Transaction costs are costs incurred to acquire 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) 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)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(i) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Fund currently has a legally enforceable right to set-off 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.

(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 States 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 (losses)/gains on investments" and "change in unrealised gains/losses on investments".

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (Continued)

(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.

(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 one calendar month. The amounts payable on redemption of units are recognised when the redemption requests are received but not yet settled.

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 2023, the Fund held one (2022: one) unlisted equity security of US\$nil (2022: US\$nil), which is classified as level 3 investments. Refer to Note 4(d) for further details.

VALUE PARTNERS HIGH-DIVIDEND STOCKS 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 and equity related derivatives. Monetary investments include debt securities and currency forwarding.

	Total net foreign currency exposures			
	Non- monetary net assets	Monetary net assets	Percentage change	Estimated impact on net assets
	US\$ equivalent	US\$ equivalent	%	US\$
As at 31 December 2023				
Australian dollar	–	112,927,669	+/-5	5,646,383
Canadian dollar	–	30,881,207	+/-3	926,436
Hong Kong dollar*	794,573,203	(8,823,240)	+/-0	–
Indian rupiah	31,475,605	60	+/-4	1,259,027
Indonesian rupiah	24,720,403	–	+/-3	741,612
Korean won	292,831,603	20	+/-6	17,569,897
New Zealand dollar	–	32,130,293	+/-5	1,606,515
Philippine Peso	11,530,752	49,702	+/-5	579,023
Pound Sterling	–	38,261,424	+/-5	1,913,071
Renminbi	12,782,854	51,626,646	+/-5	3,220,475
Singapore dollar	12,390,969	7,247,216	+/-2	392,764
Taiwan dollar	150,623,948	9,799,084	+/-5	8,021,152
Thai Baht	3,861,349	–	+/-4	154,454
	1,334,790,686	274,100,081		

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	Monetary net assets	Percentage change	Estimated impact on net assets
	US\$ equivalent	US\$ equivalent	%	US\$
As at 31 December 2022				
Australian dollar	–	109,528,835	+/-5	+/-5,476,442
Canadian dollar	–	31,443,896	+/-5	+/-1,572,195
Hong Kong dollar*	852,669,906	27,704,511	+/-0	–
Indian rupiah	3,024,678	1,821,336	+/-5	+/-242,301
Indonesian rupiah	11,084,088	–	+/-5	+/-554,204
Korean won	182,160,231	3	+/-5	+/-9,108,012
Malaysian ringgit	4,396,241	9	+/-5	+/-219,813
New Zealand dollar	–	31,575,376	+/-5	+/-1,578,769
Philippine Peso	4,174,948	–	+/-5	+/-208,747
Pound sterling	–	34,833,632	+/-5	+/-1,741,682
Renminbi	52,669,520	33,751,161	+/-5	+/-4,321,034
Singapore dollar	18,598,361	9,060,046	+/-5	+/-1,382,920
Taiwan dollar	129,371,426	16,299,540	+/-5	+/-7,283,548
	1,258,149,399	296,018,345		

* 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 HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(ii) *Price risk*

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments in the market.

The Fund trades in financial instruments, taking positions in traded and over-the-counter instruments to take advantage of short-term market movements in the equity and bond markets within specified limits. The Fund is also subject to market price risk in relation to their investment of units in underlying funds, for prices in the future are uncertain.

The investment of equity securities, debt instruments and units in underlying funds are classified as financial assets at fair value through profit or loss in the statement of net assets.

All investments present a risk of loss of capital. The Manager moderates this risk through (i) a careful selection of securities and other financial instruments within specified limits, (ii) diversification of the investment portfolio whereby the maximum value of each Fund holding of securities issued by any single issuer may not exceed 10% of its total net assets and (iii) deliberate investment funds selection.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(a) Market risk (Continued)

(ii) Price risk (Continued)

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

	% of net assets	
	2023	2022
Financial assets at fair value through profit or loss		
Listed equity securities		
China	0.89	3.72
Hong Kong		
– H shares	27.11	31.84
– Red chips	13.33	15.69
– Others	14.91	12.74
India	2.19	0.21
Indonesia	1.72	0.78
Malaysia	–	0.31
Philippines	0.80	0.30
Singapore	0.86	1.89
South Korea	20.40	12.88
Taiwan	10.49	9.14
Thailand	0.27	–
The United States of America	0.95	0.34
	93.92	89.84

VALUE PARTNERS HIGH-DIVIDEND STOCKS 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)

	% of net assets	
	2023	2022
Financial assets at fair value through profit or loss (Continued)		
Listed investment fund	1.02	–
Unlisted equity security	–	–
Unlisted investment funds	4.71	6.68
Forward exchange contracts	0.24	0.19
	<u>99.89</u>	<u>96.71</u>
Financial liabilities at fair value through profit or loss		
Forward exchange contracts	–	(0.02)
	<u>99.89</u>	<u>96.69</u>

The table below shows the analysis of the net position of equity securities and derivatives on equity securities by industry.

	2023	2022
	%	%
Basic materials	–	0.61
Consumer discretionary	11.74	7.57
Consumer staples	0.81	0.15
Energy	–	0.10
Financials	18.82	22.53
Health care	4.49	3.24
Industrials	14.68	17.67
Real estate	3.43	4.81
Technology	22.78	21.33
Telecommunications	17.38	17.15
Utilities	5.87	4.84

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, equity derivatives and investment funds to equity price movements. The analysis is based on the assumptions that the MSCI Asia Pacific (ex-Japan) 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 purposes only.

	Percentage change		Estimated impact on net assets	
	2023	2022	2023	2022
	%	%	US\$	US\$
MSCI Asia Pacific (ex-Japan) Index	+/-15	+/-30	+/-213,404,297	+/-406,840,314

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

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 2023 US\$	2022 US\$
Cash and cash equivalents	22,585,201	50,836,366
Interest sensitivity gap	22,585,201	50,836,366

The bank balances are placed at short term market interest rate 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.

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 Moody's.

	2023 US\$	2022 US\$
Counterparty		
Cash and margin deposit with banks and brokers		
Aa2	22,585,201	–
Aa3	2,978	50,839,200
Investments placed with custodian		
Aa2	1,433,995,849	–
Aa3	–	1,368,180,019
Amounts receivable on issue of units		
Unrated	3,495,830	3,901,755

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 2023, all 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 with a credit rating of Aa2 (2022: Aa3) or higher 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 as shown in the statement of financial position.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

The table below analyses the Fund's financial liabilities based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows. The tables below reflect 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 months	
	2023	2022
	<i>US\$</i>	<i>US\$</i>
Net assets attributable to unitholders	1,435,797,759	1,414,789,064
Amounts payable on purchase of investments	17,765,509	1,574,369
Amounts payable on redemption of units	5,313,526	2,851,883
Management fees and performance fees payable	1,478,087	1,512,595
Distributions payable	4,271,576	4,129,763
Accruals and other payables	244,647	352,085
	<u>1,464,871,104</u>	<u>1,425,209,759</u>
Financial liabilities at fair value through profit or loss – derivatives	<u>25,578</u>	<u>299,907</u>

As at 31 December 2023, the Fund was subject to two (2022: two) passive hedging arrangements with its derivative counterparties. The arrangement gives the Fund and the counterparties the legally enforceable right to set-off certain financial assets and liabilities.

The Fund and its counterparties have elected to settle all the financial assets and liabilities on a gross basis. Although, each party has the option to settle the financial assets and liabilities below on a net basis in the event of default of the other party. An event of default may include failure to pay or deliver, breach of agreement or bankruptcy. 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

	2023 US\$	2022 US\$
Gross amounts of recognised financial assets		
Forward exchange contracts	3,379,191	2,749,822
Net amounts of financial assets presented in the statement of financial position	<u>3,379,191</u>	<u>2,749,822</u>
Gross amounts of recognised financial liabilities		
Forward exchange contracts	(25,578)	(299,907)
Net amounts of financial liabilities presented in the statement of financial position	<u>(25,578)</u>	<u>(299,907)</u>
Net amount	<u>3,353,613</u>	<u>2,449,915</u>

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 2023 and 2022, 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 total assets can be realised within 7 days or less to generate cash inflows for managing liquidity risk.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk (Continued)

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 2023	
Investor 1	20.77
Investor 2	12.39
Investor 3	10.70
As at 31 December 2022	
Investor 1	21.53
Investor 2	11.68

(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 at the reporting date.

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
As at 31 December 2023				
Financial assets at fair value through profit or loss				
Listed equity securities	1,348,392,018	–	–	1,348,392,018
Listed Investment Fund	14,586,907	–	–	14,586,907
Unlisted equity securities	–	–	–*	–
Unlisted investment funds	–	67,637,733	–	67,637,733
Forward exchange contracts	–	3,379,191	–	3,379,191
	<u>1,362,978,925</u>	<u>71,016,924</u>	<u>–</u>	<u>1,433,995,849</u>
Financial liabilities at fair value through profit or loss				
Forward exchange contracts	–	(25,578)	–	(25,578)

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 2022				
Financial assets at fair value through profit or loss				
Listed equity securities	1,271,026,639	–	–	1,271,026,639
Unlisted equity securities	–	–	–*	–
Unlisted investment funds	–	94,403,558	–	94,403,558
Forward exchange contracts	–	2,749,822	–	2,749,822
	<u>1,271,026,639</u>	<u>97,153,380</u>	<u>–</u>	<u>1,368,180,019</u>
Financial liabilities at fair value through profit or loss				
Forward exchange contracts	–	(299,907)	–	(299,907)

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

Financial instruments that are not traded in active markets 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 2023, fair value of one (2022: one) unlisted equity security was fully marked to zero.

VALUE PARTNERS HIGH-DIVIDEND STOCKS 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 US\$	Valuation technique	Unobservable inputs	Range of inputs
As at 31 December 2023				
Unlisted equity security	–	Latest transacted price with discount applied	Discount rate	100%
As at 31 December 2022				
Unlisted equity security	–	Latest transacted price with discount applied	Discount rate	100%

There is no transfer between levels for the years ended 31 December 2023 and 2022.

There is no movement in level 3 investments for the years ended 31 December 2023 and 2022.

Other assets and liabilities are carried at amortised cost and their carrying values are a 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 2023			
Counterparty A:			
Forward exchange contracts	AUD159,167,831	1,739,567	–
Forward exchange contracts	CAD39,235,535	517,878	–
Forward exchange contracts	GBP28,932,191	342,589	–
Forward exchange contracts	NZD49,386,215	555,905	–
Forward exchange contracts	CNH339,209,088	179,029	–
Forward exchange contracts	SGD7,909,914	44,219	–
Forward exchange contracts	HKD178,569	4	–
Forward exchange contracts	(AUD6,552,581)	–	(11,656)
Forward exchange contracts	(CAD1,659,061)	–	(622)
Forward exchange contracts	(GBP1,239,850)	–	(1,517)
Forward exchange contracts	(NZD1,611,328)	–	(6,673)
Forward exchange contracts	(CNH14,083,075)	–	(4,646)
Forward exchange contracts	(HKD4,048,140)	–	(138)
Forward exchange contracts	(SGD341,636)	–	(326)
		<u>3,379,191</u>	<u>(25,578)</u>

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 FINANCIAL RISK MANAGEMENT (Continued)

(e) Financial derivative instruments (Continued)

	Notional amount long/(short)	Fair value Assets US\$	Liabilities US\$
As at 31 December 2022			
Counterparty A:			
Forward exchange contracts	AUD161,564,687	2,252,510	–
Forward exchange contracts	CAD42,708,050	310,105	–
Forward exchange contracts	(GBP55,774)	379	–
Forward exchange contracts	NZD50,093,386	56,128	–
Forward exchange contracts	CNH229,591,005	53,675	–
Forward exchange contracts	SGD10,803,793	77,025	–
Forward exchange contracts	(AUD24,604)	–	(174)
Forward exchange contracts	(GBP28,781,812)	–	(295,241)
Forward exchange contracts	(NZD64,576)	–	(323)
Forward exchange contracts	(CNH1,332,915)	–	(764)
Forward exchange contracts	HKD17,961,019	–	(2,711)
Forward exchange contracts	(SGD162,419)	–	(694)
		<u>2,749,822</u>	<u>(299,907)</u>

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 in issue.

The table below summaries the Fund's holdings in investee funds as at the reporting date:

Investee funds	Fund manager	% Ownership		Place of Incorporation	Dealing Frequency
		2023	2022		
Malabar India Fund Limited ^Δ	Malabar Investments, LLC [#]	7.77%	10.24%	Mauritius	Monthly [*]
Malabar Select Fund ^Δ	Malabar Investments, LLC [#]	3.73%	15.00%	Mauritius	Monthly [*]
iShares MSCI Taiwan ETF	BlackRock Fund Advisors	0.39%	–	The United States of America	Daily

* The manager of the investee funds also has the ability to limit daily redemptions and withhold the requested amount. Under extraordinary circumstances, the manager of the investee funds also has the ability to suspend redemptions.

Δ The investment funds are not authorized in Hong Kong and not available to the public in Hong Kong.

As at 31 December 2023, a fellow subsidiary of the Manager had a shareholding interest of 6.6% (2022: 6.6%) in Malabar Investments, LLC.

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 in a structured entity, the Fund ceases to be exposed to any risk from that structured entity.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 INVESTMENTS IN UNCONSOLIDATED STRUCTURED ENTITIES (Continued)

The exposure to investments in investee funds at fair value is disclosed in the following table. These investments are included in financial assets at fair value through profit or loss in the statement of financial position.

	Fair value <i>US\$</i>	% of net assets
As at 31 December 2023		
Malabar India Fund Ltd Class 1 Shrs	59,705,522	4.16
Malabar Select Fund Class 1 – Standard Class	7,932,211	0.55
iShares MSCI Taiwan ETF	14,586,907	1.02
	<u>82,224,640</u>	<u>5.73</u>

	Fair value <i>US\$</i>	% of net assets
As at 31 December 2022		
Malabar India Fund Ltd Class 1 Shrs	57,180,899	4.04
Malabar Select Fund Class 1 – Standard Class	37,222,659	2.64
	<u>94,403,558</u>	<u>6.68</u>

Total purchases and total sales in structured entities during the year ended 31 December 2023 were US\$14,005,332 (2022: US\$11,446,409) and US\$45,000,000 (2022: US\$29,700,950) respectively. As at 31 December 2023 and 2022 there were no capital commitment obligations or amounts due to structured entities for unsettled purchases.

During the year ended 31 December 2023, total net gain of US\$18,815,750 (2022: loss of US\$41,943,598) was incurred on investments in investee funds.

There was no distribution received for the investee funds for the years ended 31 December 2023 and 2022.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 REDEEMABLE UNITS

Units of the Fund are issued in different classes. Class Z units are offered primarily for institutional investors. Class X units are offered for professional investors. Class P Acc RMB and Class P MDis RMB are offered for subscription to investors in the People's Republic of China only. All units are subject to daily redemption. The management fees charged to each class of units are disclosed in note 7(a).

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.

All classes of units are redeemable at the option of the unitholders and do not have identical features. The units can be put back to the Fund for cash equal to a proportionate share of the Fund's net asset value.

The Manager may, in accordance with the Trust Deed, determine to make a distribution out of the income and/or capital (including unrealised capital gains or other unrealised profits during the relevant financial year and undistributed net income and undistributed net realised capital gains or profits brought forward from previous financial years) of the Fund to unitholders. Investors should note that the payment of dividends out of capital represents a return or withdrawal of part of the amount they originally invested or from any capital gains attributable to the original investment. Such distributions may result in an immediate reduction of the net asset value per unit of the Fund.

The Manager may make distribution at its discretion for Class A1 units of the Fund. The Manager reviews the amount for dividend distribution once a year before determining whether dividends will be made. In respect of Class A2 MDis USD, Class A2 MDis HKD, Class A2 MDis AUD Hedged, Class A2 MDis CAD Hedged, Class A2 MDis GBP Hedged, Class A2 MDis NZD Hedged, Class A2 MDis RMB Hedged, Class A Acc HKD Hedged, Class A2 MDis RMB Unhedged, Class A2 MDis SGD Hedged, Class P MDis RMB and Class P MDis RMB Hedged (collectively referred to as "Distribution Classes"), the Manager currently intends to make monthly dividends distribution to unitholders. In respect of Class A Acc HKD Hedged, Class A Acc RMB Hedged, Class A Acc RMB Unhedged, Class P Acc RMB, Class P Acc RMB Hedged, Class X Acc USD Unhedged and Class Z (collectively referred to as "Accumulation Classes"), the Manager currently does not intend to make dividends distribution to unitholders. However, the Manager may consider not making distributions for the relevant class in any financial year, in its absolute discretion. Where distributions are made, the amount available for distribution in respect of each financial year will be determined and declared at such date(s) the Manager may, with the prior consent of the Trustee, determine.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 REDEEMABLE UNITS (Continued)

Number of units in issue

All issued units are fully paid and have no par value. Each unit carries one vote.

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

	2023	2022
Number of units		
Class A1 USD	5,914,073	6,472,905
Class A Acc HKD Hedged	525,834	2,277,297
Class A Acc RMB Hedged	1,881,525	1,896,900
Class A Acc RMB Unhedged	19,462	32,389
Class A2 MDis USD	36,815,882	37,008,618
Class A2 MDis HKD	256,347,355	222,117,510
Class A2 MDis AUD Hedged	23,350,917	21,769,703
Class A2 MDis CAD Hedged	5,422,923	5,471,118
Class A2 MDis GBP Hedged	4,255,901	3,935,055
Class A2 MDis NZD Hedged	6,857,923	6,423,620
Class A2 MDis RMB Hedged	41,600,883	25,625,607
Class A2 MDis RMB Unhedged	5,309,164	2,659,360
Class A2 MDis SGD Hedged	989,735	1,230,259
Class P MDis RMB	276,784	104,047
Class P MDis RMB Hedged	726,028	77,038
Class P Acc RMB	168,815	158,444
Class P Acc RMB Hedged	518,559	339,881
Class X Acc USD Unhedged	15,722	16,818
Class Z	181,956	155,956

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 REDEEMABLE UNITS (Continued)

Number of units in issue (Continued)

	2023	2022
Net asset value per unit		
Class A1 USD	USD93.54	USD89.87
Class A Acc HKD Hedged	HKD8.08	HKD7.88
Class A Acc RMB Hedged	RMB13.21	RMB13.09
Class A Acc RMB Unhedged	RMB16.47	RMB15.45
Class A2 MDis USD	USD8.98	USD9.14
Class A2 MDis HKD	HKD8.25	HKD8.39
Class A2 MDis AUD Hedged	AUD7.10	AUD7.36
Class A2 MDis CAD Hedged	CAD7.56	CAD7.76
Class A2 MDis GBP Hedged	GBP7.09	GBP7.29
Class A2 MDis NZD Hedged	NZD7.43	NZD7.73
Class A2 MDis RMB Hedged	RMB7.58	RMB7.84
Class A2 MDis RMB Unhedged	RMB8.80	RMB8.61
Class A2 MDis SGD Hedged	SGD8.34	SGD8.59
Class P MDis RMB	RMB9.551	RMB9.4146
Class P MDis RMB Hedged	RMB9.1965	RMB9.5661
Class P Acc RMB	RMB11.5248	RMB10.8933
Class P Acc RMB Hedged	RMB11.2155	RMB11.1858
Class X Acc USD Unhedged	USD16.83	USD15.97
Class Z	USD15.21	USD14.54

VALUE PARTNERS HIGH-DIVIDEND STOCKS 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

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 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 a management fees which represents 1.25% per annum of that portion of the net asset value of the Fund attributable to Class A unit, Class A1 units, Class A2 units and Class P unit and 0.75% per annum of that portion of the net asset value of the Fund attributable to Class Z units. No management fees is charged on Class X units. The management fees is calculated and accrued daily and payable monthly in arrears.

(b) Performance fees

The Manager is entitled to receive 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 31 December of each year (the “performance fee valuation day”) before accrual of performance fees and including any dividend distribution declared or paid in respect of the relevant performance periods exceeds the higher of (i) the net asset value per unit of that class on the date of the initial issue of units and (ii) the highest value for the net asset value per unit as at the performance fee valuation day for any preceding year in which a performance fees was last calculated and paid (after payment of the performance fees and dividend distribution). The performance fees is calculated at the reporting date 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) 0.135% 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\$650 million of the net asset value of the Fund; and (iii) 0.125% 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

(d) Manager's and its related parties' holding in the Fund and entitled to profit/(loss) from transactions in units

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

	As at 1 January	Issue units	Redemption of units	As at 31 December
2023				
Class A1				
Director of the Manager	142,079	-	(48,584)	93,496
Spouse of a director of the Manager	16,264	-	-	16,264
Value Partners Limited*	-	238	(238)	-
Class A2 MDIs HKD				
Director of the Manager	2,281,549	135,135	-	2,416,684
Sensible Asset Management Limited**	-	17,454	-	17,454
Class X Acc USD Unhedged				
Value Partners Limited*	16,818	9,800	(10,896)	15,722
2022				
Class A1				
Director of the Manager	213,642	-	(71,563)	142,079
Spouse of a director of the Manager	16,264	-	-	16,264
Value Partners Limited*	-	89	(89)	-
Class A2 MDIs HKD				
Director of the Manager	2,159,358	122,191	-	2,281,549
Class X Acc USD Unhedged				
Value Partners Limited*	8,711	11,648	(3,541)	16,818

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

** A director of the Manager's parent company held the units in the Fund through Sensible Asset Management Limited as at 31 December 2023.

Note During the years ended 31 December 2023 and 2022, 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.

VALUE PARTNERS HIGH-DIVIDEND STOCKS 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) Investment in funds managed by a related party of the Manager or its related party

During the years ended 31 December 2023 and 2022, the Fund invested in other investee funds, in which a fellow subsidiary of the Manager had a minority shareholding interest in the manager of the investee funds. Refer to note 5 for further details.

(f) Other transactions and balances with the Trustee and its related parties

In addition to trustee and fund administration fees of US\$1,936,743 (2022: US\$1,986,601), 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.

	2023 US\$	2022 US\$
Interest income	241,005	236,788
Transaction costs*	(96,572)	(75,503)
Safe custody and bank charges	(290,253)	(275,483)
Annual service fee	(5,449)	(6,511)
Interest expense	(340,841)	(200,018)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

(f) Other transactions and balances with the Trustee and its related parties (Continued)

* Included in transaction costs are paid commission to the related parties of the Trustee for the purchases and sales of investments during the years ended 31 December 2023 and 2022. Breakdown was as follows:

	2023 US\$	2022 US\$
The Hongkong and Shanghai Banking Corporation Limited		
Total commission paid	81,291	63,336
Total aggregate value of the purchases and sales	71,187,996	44,990,186
Average rate of commission	0.11%	0.14%
% of transactions to the total purchases and sales of the Fund	<u>4.39%</u>	<u>1.49%</u>

In addition to the trustee and fund administration fees payable of US\$142,014 (2022: US\$150,405), as disclosed in note 7(c), the Fund had the following additional balances with the Trustee and its related parties.

	2023 US\$	2022 US\$
Financial assets at fair value through profit or loss	1,433,995,849	1,368,180,019
Cash and cash equivalents	22,585,201	50,836,366
Interest income receivable	29,467	26,517
Financial liabilities at fair value through profit or loss	(25,578)	(299,907)
Transaction costs payable	(2,812)	(3,852)
Annual service fee payable	(968)	(973)
Interest expense payable	<u>(14,050)</u>	<u>(82,564)</u>

During the years ended 31 December 2023 and 2022, 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\$4,669,887 (2022: US\$23,781,724). As at 31 December 2023, the Fund held the outstanding forward exchange contracts as financial assets US\$3,379,191 (2022: US\$2,749,822) and financial liabilities US\$25,578 (2022: US\$299,907) respectively with The Hongkong and Shanghai Banking Corporation Limited.

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.

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 2023 and 2022.

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 2023 and 2022.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9 TRANSACTION COSTS

During the years ended 31 December 2023 and 2022, following transaction costs were incurred by the Fund.

	2023 <i>US\$</i>	2022 <i>US\$</i>
Brokerage fee	2,327,432	2,073,494
Other transaction costs	1,883,307	1,879,102
Transaction handling fee	<u>15,281</u>	<u>12,167</u>
	<u><u>4,226,020</u></u>	<u><u>3,964,763</u></u>

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. 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.

	2023 <i>US\$</i>	2022 <i>US\$</i>
Total comprehensive income/(loss) for the year	<u>656,134</u>	<u>(420,235,670)</u>
Distributions to Distribution Classes unitholders during the year	<u><u>51,405,368</u></u>	<u><u>49,919,560</u></u>

For the year ended 31 December 2023 the Fund did not transfer any (2022: US\$Nil) undistributed income to net assets attributable to unitholders for the year. The Fund has no undistributed net income at the beginning of the year and at the end of the year.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 DISTRIBUTION TO DISTRIBUTION CLASSES (Continued)

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

Classes	2023	2022	Frequency	Ex-dividend dates*
Class A2 MDis USD	USD0.0458	USD0.0458	Monthly	Last business day of January to December
Class A2 MDis HKD	HKD0.0419	HKD0.0419	Monthly	Last business day of January to December
Class A2 MDis AUD Hedged	AUD0.0378	AUD0.0378	Monthly	Last business day of January to March
Class A2 MDis AUD Hedged	AUD0.0300	AUD0.0378	Monthly	Last business day of April to December
Class A2 MDis CAD Hedged	CAD0.0386	CAD0.0386	Monthly	Last business day of January to March
Class A2 MDis CAD Hedged	CAD0.0353	CAD0.0386	Monthly	Last business day of April to December
Class A2 MDis GBP Hedged	GBP0.0361	GBP0.0361	Monthly	Last business day of January to December
Class A2 MDis NZD Hedged	NZD0.0406	NZD0.0406	Monthly	Last business day of January to March
Class A2 MDis NZD Hedged	NZD0.0454	NZD0.0406	Monthly	Last business day of April to December
Class A2 MDis RMB Hedged	RMB0.0392	RMB0.0587	Monthly	Last business day of January to March
Class A2 MDis RMB Hedged	RMB0.0249	RMB0.0587	Monthly	Last business day of April to July
Class A2 MDis RMB Hedged	RMB0.0249	RMB0.0392	Monthly	Last business day of August to December
Class A2 MDis RMB Unhedged	RMB0.0417	RMB0.0417	Monthly	Last business day of January to March
Class A2 MDis RMB Unhedged	RMB0.0275	RMB0.0417	Monthly	Last business day of April to December
Class A2 MDis SGD Hedged	SGD0.0427	SGD0.0427	Monthly	Last business day of January to March
Class A2 MDis SGD Hedged	SGD0.0351	SGD0.0427	Monthly	Last business day of April to December
Class P MDis RMB	RMB0.0483	RMB0.0483	Monthly	Last business day of January to March
Class P MDis RMB	RMB0.0300	RMB0.0483	Monthly	Last business day of April to December
Class P MDis RMB Hedged	RMB0.0481	RMB0.0743	Monthly	Last business day of January to March
Class P MDis RMB Hedged	RMB0.0303	RMB0.0743	Monthly	Last business day of April to July
Class P MDis RMB Hedged	RMB0.0303	RMB0.0481	Monthly	Last business day of August to December

* Last business day of each month in 2023 are 31 January 2023, 28 February 2023, 31 March 2023, 28 April 2023, 31 May 2023, 30 June 2023, 31 July 2023, 31 August 2022, 29 September 2023, 31 October 2023, 30 November 2023 and 29 December 2023

Last business day of each month in 2022 are 31 January 2022, 28 February 2022, 31 March 2022, 29 April 2022, 31 May 2022, 30 June 2022, 29 July 2022, 31 August 2022, 30 September 2022, 31 October 2022, 30 November 2022 and 30 December 2022.

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 judgmental 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.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 SOFT DOLLAR ARRANGEMENTS (Continued)

For the year ended 31 December 2023, the Manager obtained services through soft dollar arrangements on transactions amounting to US\$818,733,008 (2022: US\$787,994,113). The related commission that have been paid by the Fund for these transactions amounted to US\$1,291,445 (2022: US\$1,229,757).

12 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Trustee and the Manager on 25 April 2024.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 31 DECEMBER 2023

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Listed equity securities			
China			
Contemporary Amperex Technology Co Ltd A Shares (SZHK)	274,029	6,287,839	0.44
Zhejiang Dahua Technology Co Ltd A Shares (SZHK)	2,504,717	6,495,015	0.45
		12,782,854	0.89
Hong Kong - H Shares			
A-Living Smart City Services Co Ltd H Shares	4,443,000	2,036,208	0.14
China Construction Bank Corp H Shares	84,774,000	50,463,621	3.51
China Life Insurance Co Ltd H Shares	17,933,000	23,232,516	1.62
China Merchants Bank Co Ltd H Shares	7,497,500	26,106,471	1.83
China Pacific Insurance (Group) Co Ltd H Shares	9,183,400	18,527,742	1.29
China Railway Construction Corp Ltd H Shares	38,452,000	22,790,965	1.59
China Railway Group Ltd H Shares	69,939,000	31,157,417	2.17
China Telecom Corp Ltd H Shares	185,204,000	88,671,641	6.18
Fuyao Glass Industry Group Co Ltd H Shares	1,056,400	5,138,954	0.36
Guangzhou Automobile Group Co Ltd H Shares	31,904,000	14,825,677	1.03
Jiangsu Expressway Co Ltd H Shares	15,724,000	14,130,676	0.98
Ping An Insurance (Group) Co of China Ltd H Shares	4,517,500	20,443,270	1.42
Qingdao Port International Co Ltd H Shares	13,977,000	7,568,627	0.53
Shandong Weigao Group Medical Polymer Co Ltd H Shares	800	779	-
Sinopharm Group Co Ltd H Shares	15,855,600	41,508,666	2.89
ZTE Corp H Shares	10,112,000	22,575,965	1.57
		389,179,195	27.11
Hong Kong - Red Chips			
BOC Hong Kong Holdings Ltd	53,500	145,195	0.01
China Everbright Environment Group Ltd	69,893,000	22,726,376	1.58
China Resources Beer (Holdings) Co Ltd	1,288,000	5,639,034	0.39
China Resources Land Ltd	2,572,000	9,219,169	0.64
China Resources Power Holdings Co Ltd	13,944,000	27,918,167	1.94

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 31 DECEMBER 2023

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed equity securities (Continued)			
<i>Hong Kong - Red Chips (Continued)</i>			
China State Construction International Holdings Ltd	41,061,000	47,465,718	3.32
China Unicom (Hong Kong) Ltd	35,754,000	22,427,636	1.57
Far East Consortium International Ltd	44,092,000	34,656,999	2.41
Guangdong Investment Ltd	29,120,000	21,173,980	1.47
		<u>191,372,274</u>	<u>13.33</u>
<i>Hong Kong - Others</i>			
Alibaba Group Holding Ltd	3,213,700	31,102,114	2.17
ANTA Sports Products Ltd	731,000	7,088,638	0.49
AsiaInfo Technologies Ltd	17,100,800	18,848,742	1.31
Baidu Inc	824,900	12,260,165	0.85
BaTeLab Co Ltd	1,124,500	3,598,838	0.25
China Yongda Automobiles Services Holdings Ltd	29,235,000	10,965,628	0.76
Country Garden Services Holdings Co Ltd	3,794,000	3,278,415	0.23
CSI Properties Ltd	190,890,000	2,345,942	0.16
Far East Consortium International Ltd/HK	44,103,992	7,847,936	0.55
Haitian International Holdings Ltd	2,483,000	6,141,106	0.43
Hang Lung Properties Ltd	7,265,000	10,118,760	0.71
HKBK Ltd	28,772,500	12,854,814	0.90
Horizon Construction Development Ltd	1,633,037	959,558	0.07
Johnson Electric Holdings Ltd	11,082,865	17,592,863	1.23
Kuaishou Technology	554,600	3,759,314	0.26
KWG Living Group Holdings Ltd	17,811,000	1,071,640	0.07
Longfor Group Holdings Ltd	12,192,797	19,510,848	1.36
PCCW Ltd	47,541,000	25,317,710	1.76
Seazen Group Ltd	20,408,000	3,317,928	0.23
Tencent Holdings Ltd	171,100	6,430,857	0.45
Tencent Music Entertainment Group	133,000	578,886	0.04
TK Group (Holdings) Ltd	19,502,000	3,520,149	0.25

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 31 DECEMBER 2023

	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 (Continued)</i>			
Tongcheng Travel Holdings Ltd	2,981,200	5,510,882	0.38
		214,021,733	14.91
<i>India</i>			
Brookfield India Real Estate Trust	416,617	1,179,250	0.08
Embassy Office Parks REIT	713,554	2,785,155	0.19
GAIL India Ltd	3,744,283	7,294,993	0.51
Indus Towers Ltd	5,183,667	12,405,277	0.86
IndusInd Bank Ltd	406,313	7,810,930	0.55
		31,475,605	2.19
<i>Indonesia</i>			
Bank Mandiri Persero Tbk PT	22,286,400	8,757,075	0.61
Bank Negara Indonesia Persero Tbk PT	8,802,900	3,073,039	0.21
Bukalapak.com PT Tbk	153,009,000	2,146,518	0.15
Indosat Tbk PT	7,894,700	4,806,962	0.34
Mastersystem Infotama PT	9,799,200	891,010	0.06
Telkom Indonesia Persero Tbk PT	19,668,400	5,045,799	0.35
		24,720,403	1.72
<i>Philippines</i>			
BDO Unibank Inc	4,893,280	11,530,752	0.80
<i>Singapore</i>			
Capitaland Investment Ltd/Singapore	1,271,800	3,045,189	0.21
DBS Group Holdings Ltd	63,300	1,602,465	0.11
United Overseas Bank Ltd	359,200	7,743,315	0.54
		12,390,969	0.86

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 31 DECEMBER 2023

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Listed equity securities (Continued)			
South Korea			
BGF retail Co Ltd	51,820	5,234,323	0.36
Dentium Co Ltd	50,674	5,106,871	0.36
HAESUNG DS Co Ltd	79,145	3,373,119	0.24
Hugel Inc	54,071	6,214,603	0.43
Hyundai Marine & Fire Insurance Co Ltd	656,623	15,659,438	1.09
Hyundai Motor Co	50,912	7,970,452	0.56
KB Financial Group Inc	848,359	35,308,179	2.46
Kia Corp	478,106	36,780,919	2.56
LG Uplus Corp	872,550	6,866,957	0.48
Myoung Shin Industrial Co Ltd	140,217	2,050,601	0.14
Samsung Electronics Co Ltd - Preference Shares	2,499,295	119,785,418	8.34
Samsung Engineering Co Ltd	1,335,717	29,799,627	2.08
SK Telecom Co Ltd	284,509	10,965,593	0.76
Won Tech Co Ltd	1,074,940	7,715,503	0.54
		292,831,603	20.40
Taiwan			
MediaTek Inc	244,000	8,055,818	0.56
Taiwan Semiconductor Manufacturing Co Ltd	5,148,000	99,299,483	6.92
Unimicron Technology Corp	7,558,000	43,268,647	3.01
		150,623,948	10.49
Thailand			
Thai Life Insurance PCL	14,467,400	3,861,349	0.27

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 31 DECEMBER 2023

	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>			
Full Truck Alliance Co Ltd ADR	572,380	4,012,384	0.28
Sea Ltd ADR	91,155	3,691,778	0.26
Tencent Music Entertainment Group ADR	654,514	5,897,171	0.41
		<u>13,601,333</u>	<u>0.95</u>
Listed investment fund			
<i>Hong Kong</i>			
iShares MSCI Taiwan ETF	316,900	14,586,907	1.02
Unlisted equity security			
<i>Hong Kong</i>			
Real Gold Mining Ltd	4,283,500	-	-

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO (UNAUDITED) (Continued)

AS AT 31 DECEMBER 2023

	Holdings	Fair value US\$	% of net assets
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)			
Unlisted investment funds			
Malabar India Fund Limited Class 1 Shrs*	15,758	59,705,522	4.16
Malabar Select Fund Class 1 – Standard Class*	6,095	7,932,211	0.55
		67,637,733	4.71
Forward exchange contracts		3,379,191	0.24
Total financial assets at fair value through profit or loss		1,433,995,849	99.89
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS			
Forward exchange contracts		(25,578)	–
Total financial liabilities at fair value through profit or loss		(25,578)	–
Total investments, net		1,433,970,271	99.89
Total investments, at cost		1,545,712,884	

* The investment funds are not authorized in Hong Kong and not available to the public in Hong Kong.

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

INVESTMENT PORTFOLIO MOVEMENTS (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2023

	% of net assets	
	2023	2022
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		
Listed equity securities		
China	0.89	3.72
Hong Kong		
– H shares	27.11	31.84
– Red chips	13.33	15.69
– Others	14.91	12.74
India	2.19	0.21
Indonesia	1.72	0.78
Malaysia	–	0.31
Philippines	0.80	0.30
Singapore	0.86	1.89
South Korea	20.40	12.88
Taiwan	10.49	9.14
Thailand	0.27	–
The United States of America	0.95	0.34
	<u>93.92</u>	<u>89.84</u>
Listed investment fund		
Hong Kong	1.02	–
Unlisted equity securities		
Hong Kong	–	–
Unlisted investment funds		
	4.71	6.68
Forward exchange contracts		
	<u>0.24</u>	<u>0.19</u>
Total investments, net	<u><u>99.89</u></u>	<u><u>96.71</u></u>
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		
Forward exchange contracts		
	–	(0.02)
	<u><u>99.89</u></u>	<u><u>96.69</u></u>

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

DETAILS IN RESPECT OF FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED)

AS AT 31 DECEMBER 2023

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

Financial assets:

Forward exchange contracts

Currency sold	Amount sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
USD	106,976,142	AUD	159,195,662	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	1,738,233
USD	90,079	AUD	133,434	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	1,042
USD	4,938	AUD	7,365	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	92
USD	500	AUD	743	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	7
USD	29,134,758	CAD	39,235,108	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	517,875
USD	319	CAD	427	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	4
USD	42,501,003	CNH	302,845,741	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	159,859
USD	3,329,348	CNH	23,723,646	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	12,523
USD	897,215	CNH	6,393,206	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	3,375
USD	781,620	CNH	5,569,522	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	2,940
USD	72,440	CNH	515,891	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	232

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

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

AS AT 31 DECEMBER 2023

Financial assets (Continued):

Forward exchange contracts (Continued)

Currency sold	Amount sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
USD	14,339	CNH	102,259	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	66
USD	798	CNH	5,726	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	8
USD	1,367	CNH	9,756	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	7
USD	2,670	CNH	19,000	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	6
USD	517	CNH	3,687	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	3
USD	869	CNH	6,181	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	2
USD	372	CNH	2,652	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	2
USD	363	CNH	2,584	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	1
USD	185	CNH	1,316	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	1
USD	137	CNH	984	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	1
USD	135	CNH	965	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	1
USD	683	CNH	4,853	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

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

AS AT 31 DECEMBER 2023

Financial assets (Continued):

Forward exchange contracts (Continued)

Currency sold	Amount sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
USD	139	CNH	987	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0
USD	103	CNH	735	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0
USD	28	CNH	200	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0
USD	28	CNH	200	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0
USD	28	CNH	200	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0
USD	28	CNH	200	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0
USD	14	CNH	100	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0
USD	14	CNH	100	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0
USD	14	CNH	100	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0
USD	36,898,181	GBP	29,226,444	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	341,862
USD	6,645	GBP	5,239	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	31
USD	1,984	GBP	1,569	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	15

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

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

AS AT 31 DECEMBER 2023

Financial assets (Continued):

Forward exchange contracts (Continued)

Currency sold	Amount sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
USD	139	GBP	110	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	1
USD	22,874	HKD	178,569	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	4
USD	30,716,536	NZD	49,366,117	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	555,811
USD	12,637	NZD	20,098	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	95
USD	5,957,580	SGD	7,909,914	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	44,220
GBP	74,337	USD	95,192	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	472
GBP	226,834	USD	289,237	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	208
AUD	131,667	USD	90,099	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	184
AUD	37,707	USD	25,758	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	8
CNH	1,704	USD	240	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	0
						<u>3,379,191</u>

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

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

AS AT 31 DECEMBER 2023

Financial liabilities:

Forward exchange contracts

Currency sold	Amount sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
USD	4,679,713	AUD	6,838,786	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(9,521)
USD	1,283,490	CAD	1,698,009	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(189)
USD	42	CNH	300	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(0)
USD	1,309	CNH	9,278	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(2)
USD	9,242	CNH	65,492	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(16)
USD	33,385	CNH	236,478	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(73)
USD	38,287	CNH	271,200	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(84)
USD	142,522	CNH	1,009,526	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(313)
USD	1,822,985	CNH	12,912,760	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(4,008)
USD	1,599,775	GBP	1,254,394	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(1,439)
USD	518,779	HKD	4,048,140	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(138)
USD	1,336,794	NZD	2,105,675	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(2,895)

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

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

AS AT 31 DECEMBER 2023

Financial liabilities (Continued) :

Forward exchange contracts (Continued)

Currency sold	Amount sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
USD	259,549	SGD	341,636	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(326)
CNH	907	USD	128	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(0)
CNH	50	USD	7	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(0)
CNH	2,066	USD	290	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(1)
CNH	1,323	USD	186	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(1)
CNH	1,193	USD	167	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(1)
CNH	636	USD	89	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(1)
CNH	2,934	USD	409	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(4)
CNH	10,396	USD	1,457	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(7)
CAD	1,454	USD	1,086	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(13)
CAD	5,633	USD	4,243	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(14)
CNH	27,472	USD	3,856	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(14)

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

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

AS AT 31 DECEMBER 2023

Financial liabilities (Continued) :

Forward exchange contracts (Continued)

Currency sold	Amount sold	Currency bought	Amount bought	Settlement date	Counter party	Fair value US\$
CNH	267,175	USD	37,602	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(34)
GBP	14,544	USD	18,453	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(78)
CNH	107,804	USD	15,102	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(85)
AUD	36,178	USD	24,362	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(344)
AUD	39,187	USD	26,387	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(374)
CAD	31,862	USD	23,674	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(407)
AUD	133,769	USD	90,668	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(682)
AUD	77,071	USD	51,897	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(735)
NZD	174,867	USD	109,925	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(850)
NZD	319,480	USD	199,454	31 January 2024	The Hongkong and Shanghai Banking Corporation Limited	(2,929)
						<u>(25,578)</u>

INFORMATION ON EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED)

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 2023 and 2022.

	2023	2022
Lowest gross exposure	17.16%	16.38%
Highest gross exposure	60.71%	60.36%
Average gross exposure	27.88%	26.78%

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 2023 and 2022.

	2023	2022
Lowest net exposure	–	–
Highest net exposure	–	–
Average net exposure	–	–

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

PERFORMANCE RECORD (UNAUDITED)

Net assets (at last traded price)

	2023	2022	2021
Net assets	US\$1,435,797,759	US\$1,414,789,064	US\$1,827,486,595
Net asset value per unit			
Class A1 USD	USD93.54	USD89.87	USD110.80
Class A Acc HKD Hedged	HKD8.08	HKD7.88	HKD9.78
Class A Acc RMB Hedged	RMB13.21	RMB13.09	RMB16.19
Class A Acc RMB Unhedged	RMB16.47	RMB15.45	RMB17.43
Class A2 MDis USD	USD8.98	USD9.14	USD11.92
Class A2 MDis HKD	HKD8.25	HKD8.39	HKD10.93
Class A2 MDis AUD Hedged	AUD 7.10	AUD7.36	AUD9.83
Class A2 MDis CAD Hedged	CAD7.56	CAD7.76	CAD10.22
Class A2 MDis GBP Hedged	GBP7.09	GBP7.29	GBP9.67
Class A2 MDis NZD Hedged	NZD7.43	NZD7.73	NZD10.23
Class A2 MDis RMB Hedged	RMB 7.58	RMB7.84	RMB10.39
Class A2 MDis RMB Unhedged	RMB8.80	RMB8.61	RMB10.26
Class A2 MDis SGD Hedged	SGD8.34	SGD8.59	SGD11.30
Class P MDis RMB	RMB9.551	RMB9.4146	RMB11.3497
Class P MDis RMB Hedged	RMB9.1965	RMB9.5661	RMB12.8337
Class P Acc RMB	RMB11.5248	RMB10.8933	RMB12.3836
Class P Acc RMB Hedged	RMB11.2155	RMB11.1858	RMB13.9652
Class X Acc USD Unhedged	USD16.83	USD15.97	USD19.44
Class Z	USD15.21	USD14.54	USD17.83

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

PERFORMANCE RECORD (UNAUDITED) (Continued)

Performance record for the past 10 years

	Highest issue price per unit									
	Class A1	Class	Class A	Class A	Class A2	Class A2	Class A2	Class A2	Class A2	Class A2
	ACC HKD	Acc RMB	Acc RMB	MDis	MDis	MDis AUD	MDis CAD	MDis GBP	MDis NZD	
	USD USD	Hedged HKD	Hedged RMB	Unhedged RMB	USD	HKD	Hedged AUD	Hedged CAD	Hedged GBP	Hedged NZD
2023	102.49	8.93	14.75	17.85	10.23	9.45	8.21	8.67	8.15	8.63
2022	115.20	10.20	16.87	18.18	12.35	11.33	10.17	10.58	10.01	10.58
2021	119.17	10.27	17.29	18.98	13.19	12.06	10.93	11.35	10.73	11.38
2020	107.04	-	15.43	17.05	11.95	10.91	9.92	10.29	9.73	10.32
2019	95.04	-	13.67	15.81	11.61	10.73	9.93	10.12	9.58	10.26
2018	102.44	-	14.65	16.03	13.38	12.32	11.62	11.79	11.18	11.97
2017	95.32	-	13.62	15.31	12.45	11.47	10.85	11.00	10.44	11.19
2016	76.72	-	10.59	12.57	10.82	9.88	9.63	9.71	9.15	9.75
2015	86.86	-	11.77	13.31	13.23	12.10	12.12	12.14	11.55	12.17
2014	76.85	-	9.99	10.09	12.10	11.10	11.07	11.09	-	11.11

	Highest issue price per unit									
	Class A2	Class A2	Class A2	Class P	Class P	Class P	Class P	Class X	Class Z	
	MDis	MDis	MDis	Class P	MDis	Class P	Acc	Class X		
	RMB Hedged RMB	Unhedged RMB	SGD Hedged SGD	MDis RMB	RMB Hedged RMB	Acc RMB	RMB Hedged RMB	Unhedged USD	Class Z USD	
2023	8.74	9.75	9.60	10.6351	10.5893	12.6019	12.5721	18.29	16.61	
2022	10.77	10.63	11.69	13.2831	11.7556	12.8825	14.5370	20.38	18.55	
2021	11.51	11.51	12.51	12.9791	14.4051	13.6800	14.9425	21.00	19.15	
2020	10.38	10.49	11.32	11.8607	13.1000	12.4117	13.4544	18.46	17.18	
2019	10.20	10.45	11.11	-	-	-	-	15.70	15.28	
2018	11.92	11.39	12.97	-	-	-	-	16.88	16.32	
2017	11.09	10.98	12.07	-	-	-	-	15.50	15.19	
2016	7.69	9.65	-	-	-	-	-	12.73	12.21	
2015	11.34	11.12	-	-	-	-	-	-	13.70	
2014	9.95	10.09	-	-	-	-	-	-	12.14	

VALUE PARTNERS HIGH-DIVIDEND STOCKS FUND

(A Hong Kong Unit Trust)

PERFORMANCE RECORD (UNAUDITED) (Continued)

Performance record for the past 10 years (Continued)

	Lowest redemption price per unit									
	Class A1	Class ACC HKD	Class A Acc RMB	Class A Acc RMB	Class A2 MDis	Class A2 MDis	Class A2 MDis AUD	Class A2 MDis CAD	Class A2 MDis GBP	Class A2 MDis NZD
	USD	Hedged	Hedged	Unhedged	USD	HKD	Hedged	Hedged	Hedged	Hedged
	USD	HKD	RMB	RMB	USD	HKD	AUD	CAD	GBP	NZD
2023	86.86	7.51	12.34	15.51	8.42	7.75	6.67	7.10	6.66	7.00
2022	74.37	6.52	10.91	13.46	7.64	7.06	6.19	6.50	6.13	6.49
2021	107.31	9.54	15.48	16.93	11.72	10.74	9.66	10.04	9.50	10.05
2020	66.66	-	9.57	11.50	7.74	7.07	6.46	6.67	6.28	6.71
2019	79.48	-	11.46	13.45	9.71	8.98	8.26	8.44	7.99	8.56
2018	75.99	-	10.95	13.02	9.56	8.84	8.23	8.37	7.91	8.51
2017	72.07	-	10.06	12.21	9.97	9.08	8.80	8.87	8.31	8.99
2016	61.39	-	8.42	9.90	8.97	8.21	8.09	8.12	7.67	8.23
2015	67.27	-	9.05	10.77	10.12	9.22	9.21	9.23	8.69	9.32
2014	63.83	-	9.28	9.19	10.30	9.43	9.43	9.43	-	9.45

Lowest redemption price per unit									
	Class A2	Class A2	Class A2	Class P	Class P	Class P	Class P	Class X	Class Z
	MDis	MDis	MDis	MDis	MDis	Acc	Acc	Acc	
	RMB	RMB	SGD	MDis	RMB	RMB	RMB	USD	
	Hedged	Unhedged	Hedged	RMB	Hedged	RMB	Hedged	Unhedged	USD
	RMB	RMB	SGD	RMB	RMB	RMB	RMB		
2023	7.13	8.43	7.84	9.1613	8.6533	10.9361	10.4836	15.51	14.11
2022	6.60	7.57	7.20	8.2967	8.0628	9.5036	9.3358	13.19	12.03
2021	10.22	10.12	11.10	11.1653	12.6308	12.1307	13.4863	18.52	17.22
2020	6.72	7.36	7.35	9.8516	9.8079	9.8534	9.7991	11.14	10.78
2019	8.47	9.12	9.27	-	-	-	-	13.09	12.77
2018	8.49	8.95	9.15	-	-	-	-	12.49	12.20
2017	8.60	9.13	10.00	-	-	-	-	11.15	11.52
2016	7.69	7.84	-	-	-	-	-	9.39	9.78
2015	8.55	8.74	-	-	-	-	-	-	10.70
2014	9.24	9.19	-	-	-	-	-	-	9.99