

Value Partners Fund Series

Value Partners Asian Income Fund



NAV per unit : Class A USD Unhedged Acc - USD10.85 | Class A USD Unhedged MDis - USD8.39

Fund size : USD225.3 million



Morningstar Rating™
As at 31-12-2022

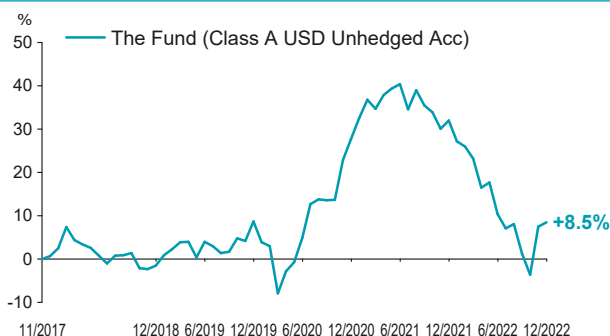
December 2022

- Value Partners Asian Income Fund (The "Fund") invests primarily in Asian equity and/or fixed income securities including convertible bonds and to deliver lower portfolio volatility.
- The Fund is subject to concentration risk as a result of the concentration of its investments in the Asian markets. The Fund may be more volatile than a broadly based fund as it is more susceptible to fluctuation in value resulting from adverse conditions in the Asian market.
- The Fund may invest in small and mid-capitalization companies. The stocks of such companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalization companies in general.
- The Fund may invest in debt securities including those that are below investment grade/unrated, and may involve greater risks, including credit risk, issuer-specific risk, counterparty risk and sovereign debt risk. The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk. All these may expose the Fund to significant losses.
- Investment in fixed income securities may include contingent convertible bonds whose structure is innovative and untested. These instruments may be subject to conversion risk e.g. compulsory conversion by the issuer upon uncontrollable triggering events and hence the Fund may experience losses.
- In respect of the distribution units for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Fund aims to maximize return and income by investing in Asian equities, Asian fixed income securities and other assets relating to Asian companies that are listed in Asia, or have registered offices in Asia or generate a predominant share of their sales and/or their profits in Asia. The Fund also aims to achieve lower portfolio volatility by actively screening and selecting a combination of lower volatility equities and fixed income securities.

Performance since launch



Performance update

	The Fund (Class A USD Unhedged Acc)
Year-to-date	-17.8%
One month	+0.9%
One year	-17.8%
Three years	-0.2%
Five years	+5.9%
Total return since launch	+8.5%
Annualized return since launch ^	+1.6%

NAVs & codes

Classes ¹	NAV	ISIN	Bloomberg
Class A USD Unhedged Acc	10.85	HK0000352374	VPUSUAU HK
Class A AUD Hedged MDis	7.87	HK0000352259	VPAAHMU HK
Class A CAD Hedged MDis	8.09	HK0000352267	VPACHMU HK
Class A HKD Unhedged MDis	8.39	HK0000352291	VPAHUMU HK
Class A NZD Hedged MDis	8.02	HK0000352309	VPANHMU HK
Class A RMB Hedged MDis	8.27	HK0000352317	VPARHMU HK
Class A RMB Unhedged MDis	8.72	HK0000352325	VPARUMU HK
Class A USD Unhedged MDis	8.39	HK0000352382	VPAUHMU HK
Class A HKD Unhedged Acc	10.87	HK0000352283	VPAHUAU HK

Dividend information – Class MDis²

Classes ¹	Dividend amount / unit	Annualized yield ³	Ex-dividend date
Class A AUD Hedged MDis	0.0379	5.8%	30-12-2022
Class A CAD Hedged MDis	0.0375	5.6%	30-12-2022
Class A HKD Unhedged MDis	0.0388	5.5%	30-12-2022
Class A NZD Hedged MDis	0.0388	5.8%	30-12-2022
Class A RMB Hedged MDis	0.0386	5.6%	30-12-2022
Class A RMB Unhedged MDis	0.0422	5.8%	30-12-2022
Class A USD Unhedged MDis	0.0390	5.6%	30-12-2022

Top holdings – equities⁴

Holdings	Industry ⁵	Country / region	%
Taiwan Semiconductor Manufacturing Co Ltd	Semiconductors & semiconductor equipment	Taiwan	4.4
China Merchants Bank Co Ltd	Banks	Hong Kong	2.2
ICICI Bank Ltd	Banks	United States	1.7
Ping An Insurance (Group) Co of China Ltd	Insurance	Hong Kong	1.5
CapitaLand Ascendas REIT	Banks	Singapore	1.4

Top holdings – fixed income⁴

Holdings	Sector ⁵	Country / region	%
Vedanta Resources Finance II PLC 8% 04/23/2023	Materials	India	2.4
China Hongqiao Group Ltd 6.25% 06/08/2024	Materials	China	1.3
eHi Car Services Ltd 7.75% 11/14/2024	Industrials	China	1.2
Fortune Star Bvi Ltd (REG) 5% 05/18/2026	Industrials	China	1.0
China Hongqiao Group Ltd 7.375% 05/02/2023	Materials	China	0.9

The Fund – Class A USD Unhedged Acc: Monthly performance from 13 Nov 2017 to 30 Dec 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	+4.8%	-2.8%	-1.0%	-0.8%	-1.8%	-1.8%	+1.8%	+0.1%	+0.5%	-3.5%	-0.2%	+0.8%	-3.9%
2019	+2.4%	+1.4%	+1.6%	+0.1%	-3.5%	+3.6%	-1.0%	-1.6%	+0.3%	+3.0%	-0.6%	+4.3%	+10.4%
2020	-4.4%	-0.9%	-10.6%	+5.5%	+2.2%	+5.6%	+7.4%	+1.0%	-0.2%	+0.1%	+8.1%	+4.0%	+17.6%
2021	+3.8%	+3.2%	-1.5%	+2.7%	+0.8%	+0.7%	-4.1%	+3.3%	-2.5%	-1.2%	-2.8%	+1.5%	+3.3%
2022	-3.6%	-0.9%	-2.2%	-5.4%	+1.0%	-6.2%	-3.0%	+0.9%	-6.3%	-4.8%	+11.5%	+0.9%	-17.8%

^ Annualized return is calculated from inception based on published NAV.

43rd Floor, The Center, 99 Queen's Road Central, Hong Kong
Hotline: Hong Kong (852) 2143 0688 | Singapore (65) 6718 0380
Email: fis@vp.com.hk www.valuepartners-group.com

Portfolio characteristics

As at 30 Dec 2022

Portfolio yield ⁶	4.9%
The Fund (Class A USD Unhedged Acc)	
Annualized volatility (3 years) ⁷	15.6%

Asset type by geography (%) ⁴

	Equities	Fixed Income	Total
China	-	14.1	14.1
Hong Kong	11.5	2.1	13.6
H-shares	12.3	-	12.3
Taiwan	9.3	-	9.3
Australia	2.4	4.7	7.1
Singapore	6.1	0.8	6.9
South Korea	2.9	3.3	6.2
Japan	5.6	0.4	6.0
India	0.7	4.3	5.0
Indonesia	1.9	2.1	4.0
Red Chips	3.9	-	3.9
China A-shares	3.5	-	3.5
United States	3.4	-	3.4
Malaysia	0.4	0.7	1.1
Cambodia	-	0.5	0.5
Macao	-	0.3	0.3
Others	0.3	-	0.3
Cash ⁸	-	-	2.5
Total	64.2	33.3	100.0

Asset type by sector (%) ⁵

	Equities	Fixed Income	Total
Financials	12.5	3.2	15.7
Information technology	13.0	2.1	15.1
Real estate	8.0	5.2	13.2
Industrials	5.6	6.7	12.3
Consumer discretionary	7.2	2.9	10.1
Materials	3.7	5.5	9.2
Energy	4.0	2.6	6.6
Communication services	5.3	0.7	6.0
Utilities	2.4	3.1	5.5
Consumer staples	1.5	0.7	2.2
Health care	0.7	0.6	1.3
Others	0.3	-	0.3
Cash ⁸	-	-	2.5
Total	64.2	33.3	100.0

Credit ratings of fixed income ⁹

AA	1.7%
A	4.7%
BBB	6.9%
BB	6.4%
B & Below	11.3%
Non-rated ¹⁰	2.3%
Investment grade	13.3%
High yield	17.7%
Average credit rating ¹¹	BB+

Fund facts

Manager:	Value Partners Hong Kong Limited
Base currency:	USD
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	13 Nov 2017
	– Class A USD Unhedged Acc
	– Class A AUD Hedged MDIs
	– Class A CAD Hedged MDIs
	– Class A HKD Unhedged MDIs
	– Class A NZD Hedged MDIs
	– Class A RMB Hedged MDIs
	– Class A RMB Unhedged MDIs
	– Class A USD Unhedged MDIs
	– Class A HKD Unhedged Acc

Fee structure (Class A)

	Acc	MDIs
Share classes	Unhedged: HKD/SGD/USD Hedged: SGD	Unhedged: HKD/RMB/SGD/USD Hedged: AUD/CAD/EUR/NZD/ RMB/SGD
Minimum subscription	USD10,000 or equivalent	
Minimum subsequent subscription	USD5,000 or equivalent	
Subscription fee	Up to 5%	
Redemption fee	Nil	
Management fee	1.5% p.a.	
Performance fee	N/A	
Dealing day	Daily	

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

Investment Director, Head of Multi-Assets: Kelly Chung, CFA

Investment Directors: Chung Man Wing; Yu Chen Jun; Michelle Yu, CFA

Senior Fund Managers: Lillian Cao; Luo Jing, CFA; Frank Tsui

Fixed income investment team:

Chief Investment Officer, Fixed Income: Gordon Ip, CFA

Head of Credit Research & Strategy: Anna Ho

Fund Manager: Danielle Li

Key fund and corporate awards



Best Fund Provider - Multi-Asset Solution ¹²

~ 2022 Asian Private Banker Asset Management Awards for Excellence

Top Fund - Asia Allocation (Hong Kong & Singapore) (Best-in-class) ¹³

~ Benchmark Fund of the Year Awards 2021

Scan QR code¹⁴:



Fund documents Fund notices

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

* © Morningstar 2023. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. 1. Each hedged share class will hedge the Fund's base currency back to its currency of denomination on a best efforts basis. However, the volatility of the hedged classes measured in the Fund's base currency may be higher than that of the equivalent class denominated in the Fund's base currency. The hedged classes may be suitable for investors who wish to reduce the impact of changes in exchange rates between their local currency and the Fund's base currency. 2. The manager intends to declare and pay monthly dividends equal to all or substantially all of the net income attributable to each of the Distribution Classes. However, there is neither a guarantee that such dividends will be made nor will there be a target level of dividend payout. No dividends will be paid with respect to the Accumulation Classes. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount that have been originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units. Please refer to the Explanatory Memorandum for further details including the distribution policy. 3. Annualized yield of MDIs Class is calculated as follows: (Latest dividend amount/NAV as at ex-dividend date) x 12. Investors should note that yield figures are estimated and for reference only and do not represent the performance of the Fund, and that there is no guarantee as to the actual frequency and/or amount of dividend payments. 4. Equities are classified by country of listing and fixed income securities are classified by country of risk. 5. Classification is based on Global Industry Classification Standard (GICS). 6. Portfolio yield is based on market consensus forecast as derived from FactSet and Bloomberg and is the weighted average of the total dividend yield of all securities in the portfolio. 7. Volatility is a measure of the theoretical risk in terms of standard deviation, based on monthly return over the past 3 years. 8. Cash: 2.5%, includes receivables and payables (except cash for collaterals and margins). 9. The lowest credit rating assigned by one of the three major external agencies (S&P, Moody's or Fitch) will be used. Issuer rating may be used for unrated securities. 10. Including bonds whose issuers do not seek credit ratings. 11. The weighted average credit rating is derived by taking the weighted average of the credit rating for each underlying bond in the portfolio. Issuer rating may be used for unrated securities. The average credit rating is determined by assigning a sequential integer to all credit ratings from AAA (highest) to D (lowest), taking a simple, asset-weighted average of debt holdings by market value and rounding to the nearest rating. As the risk of default increases disproportionately as a bond's rating decreases, the simple weighted average of credit ratings is not a statistical measurement of the portfolio's default risk. 12. The assessment of each award category is based on weighted criteria (covering product performance, asset gathering, service competency/quality and fund selector feedback) as defined by Asian Private Banker. 13. Benchmark's top Mutual Funds are selected based purely on quantitative data in its BlueOnion fund database. The subset awards strategies who have demonstrated medium-to-long-term tangible outcomes without subjecting the investors to unnecessary risks. 14. For Hong Kong investors only.

Investors should note investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. Information herein has been obtained from sources believed to be reliable but Value Partners Hong Kong Limited does not guarantee the accuracy or completeness of the information provided by third parties. Investors should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.

For Singapore investors: The Fund is registered as a restricted foreign scheme in Singapore and will only be distributed to (i) institutional investors and (ii) accredited investors and certain other persons in Singapore in accordance with section 304 and 305 of the Securities and Futures Act. Value Partners Asset Management Singapore Pte Ltd, Singapore Company Registration No. 200808225G. This advertisement has not been reviewed by the Monetary Authority of Singapore.

This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Hong Kong Limited.