

Value Partners Fund Series

Value Partners Asian Innovation Opportunities Fund



NAV per unit : Class A USD Unhedged Acc - USD16.96 | Class A USD Unhedged MDis - USD15.96
Fund size : USD38.8 million



Morningstar Rating™*
As at 31-08-2023

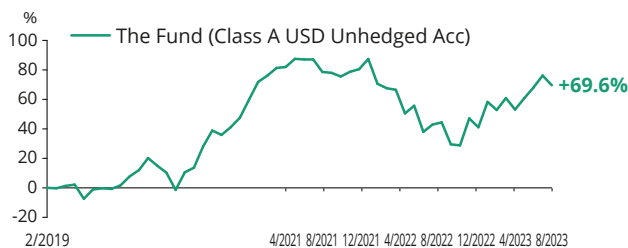
August 2023

- Value Partners Asian Innovation Opportunities Fund (the "Fund") invests predominantly in Asian equity and/or fixed income securities of companies that are related to innovative technologies or business innovations.
- The Fund's investments are concentrated in the Asian market and therefore subject to emerging market risks. Generally, investments in emerging markets are more volatile than investments in developed markets due to additional risks relating to political, social, economic and regulatory uncertainty.
- The Fund is also subject to concentration risks due to its concentration in the sectors relating to innovative technology or business innovation. Such companies are characterised by relatively higher uncertainty and volatility in price performance when compared to other economic sectors.
- The Fund may invest in small and mid-capitalisation companies. The stocks of such companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.
- The Fund may invest in unrated or below investment grade bonds and financial derivative instruments. The Fund is therefore exposed to additional risks, including volatility risk, valuation risk, leverage risk, liquidity risk, correlation risk, counterparty/credit risk, legal risk, over-the-counter transaction risk and settlement risk.
- In respect of the distribution classes 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 of the net asset value per unit of the Fund.
- 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

To maximise return and income by investing primarily (i.e. not less than 70% of its Net Asset Value) in Asian equity and/or fixed income securities relating to Asian companies that are listed, or have their registered offices in Asia or that generate a predominant share of their sales and/or their profits in Asia which are related to innovative technologies or business innovations including but not limited to information technology, consumption services, healthcare and financials.

Performance since launch



Performance update

	The Fund (Class A USD Unhedged Acc)
Year-to-date	+20.2%
One month	-3.7%
One year	+17.5%
Three years	+24.8%
Five Years	N/A
Total return since launch	+69.6%
Annualized return since launch ^	+12.4%

NAVs & codes

Classes ¹	NAV	ISIN	Bloomberg
Class A AUD Hedged MDis	14.68	HK0000475878	VPAIAAH HK
Class A CAD Hedged MDis	15.44	HK0000475886	VPAIACH HK
Class A HKD Unhedged Acc	16.96	HK0000475902	VPAIOAU HK
Class A HKD Unhedged MDis	15.96	HK0000475910	VPAIAHU HK
Class A NZD Hedged MDis	14.65	HK0000475928	VPAIANH HK
Class A RMB Hedged MDis	15.60	HK0000475936	VPAIARH HK
Class A SGD Hedged Acc	10.75	HK0000475944	VPAIASH HK
Class A USD Unhedged Acc	16.96	HK0000475969	VPASIAU HK
Class A USD Unhedged MDis	15.96	HK0000475977	VPASAUU HK

The Fund – Class A USD Unhedged Acc: Monthly performance from 26 Feb 2019 to 31 Aug 2023

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2019	N/A	-0.3%	+1.6%	+0.9%	-9.4%	+6.8%	+0.8%	-0.4%	+2.4%	+6.0%	+3.9%	+7.3%	+20.2%
2020	-4.3%	-4.1%	-10.6%	+12.1%	+2.9%	+12.7%	+8.4%	-2.2%	+3.8%	+4.5%	+8.3%	+7.6%	+43.0%
2021	+2.4%	+3.0%	+0.4%	+3.0%	-0.2%	+0.0%	-4.5%	-0.3%	-1.4%	+1.8%	+1.0%	+3.8%	+9.0%
2022	-9.0%	-1.8%	-0.7%	-9.6%	+3.5%	-11.4%	+3.6%	+1.0%	-10.3%	-0.5%	+14.2%	-4.1%	-24.7%
2023 (YTD)	+12.2%	-3.5%	+5.3%	-4.8%	+5.0%	+4.5%	+4.9%	-3.7%					+20.2%

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

Dividend information – Class MDis²

Classes ¹	Dividend amount / unit	Annualized Ex-dividend yield ³	Ex-dividend date
Class A AUD Hedged MDis	0.0065	0.5%	31-8-2023
Class A CAD Hedged MDis	0.0126	1.0%	31-8-2023
Class A HKD Unhedged MDis	0.0189	1.4%	31-8-2023
Class A NZD Hedged MDis	0.0286	2.3%	31-8-2023
Class A RMB Hedged MDis	0.0069	0.5%	31-8-2023
Class A USD Unhedged MDis	0.0190	1.4%	31-8-2023

Top holdings – equities⁴

Holdings	Sector ⁵	Geography	%
Taiwan Semiconductor Manufacturing Co Ltd	Semiconductors & semiconductor equipment	Taiwan	9.1
Renesas Electronics Corp	Semiconductors & semiconductor equipment	Japan	5.7
NVIDIA Corp	Semiconductors & semiconductor equipment	United States	3.9
Sony Group Corp	Consumer durables & apparel	Japan	3.8
Nexon Co Ltd	Media & entertainment	Japan	3.2

These equities constitute 26% of the Fund.

Top holdings – fixed income⁴

Holdings	Sector ⁵	Geography	%
Lenovo Perpetual Securities Ltd 5.875% 04/24/2025	Technology, hardware & equipment	China	1.8
SoftBank Group Corp 5.125% 09/19/2027	Telecommunication services	Japan	1.2

These fixed income securities constitute 3% of the Fund.

Portfolio characteristics

As at 31 Aug 2023

Portfolio yield ⁶	1.8%
The Fund (Class A USD Unhedged Acc)	
Annualized volatility (3 years) ⁷	19.9%

Asset type by geography (%) ⁴

	Equities	Fixed Income	Total
Japan	27.6	1.2	28.8
Taiwan	14.3	-	14.3
Hong Kong	11.4	-	11.4
China A-shares	11.0	-	11.0
South Korea	9.4	-	9.4
United States	9.3	-	9.3
H-shares	3.0	-	3.0
Red Chips	2.2	-	2.2
China	-	1.8	1.8
Cash ⁸	-	-	8.8
Total	88.2	3.0	100.0

Asset type by sector (%) ⁵

	Equities	Fixed Income	Total
Semiconductors & semiconductor equipment	26.5	-	26.5
Technology, hardware & equipment	15.8	-	15.8
Media & entertainment	8.7	-	8.7
Capital goods	7.5	-	7.5
Retailing	5.6	-	5.6
Telecommunication services	4.3	-	4.3
Consumer durables & apparel	3.8	-	3.8
Commercial services & supplies	3.4	-	3.4
Food, beverage & tobacco	3.3	-	3.3
Health care equipment & services	3.0	-	3.0
Consumer services	2.9	-	2.9
Automobiles & components	2.5	-	2.5
Information technology	-	1.8	1.8
Communication services	-	1.2	1.2
Insurance	0.9	-	0.9
Cash ⁸	-	-	8.8
Total	88.2	3.0	100.0

Credit ratings of fixed income ⁹

BBB	1.8%	Investment grade	1.8%
BB	1.2%	High yield	1.2%
		Average credit rating ¹⁰	BBB

Fund facts

Manager:	Value Partners Hong Kong Limited
Base currency:	USD
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	26 Feb 2019
	- Class A AUD Hedged MDis
	- Class A CAD Hedged MDis
	- Class A HKD Unhedged Acc
	- Class A HKD Unhedged MDis
	- Class A NZD Hedged MDis
	- Class A RMB Hedged MDis
	- Class A USD Unhedged Acc
	- Class A USD Unhedged MDis
	3 Mar 2023
	- Class A SGD Hedged Acc

Fee structure (Class A)

Share classes	Acc	MDis
	HKD/USD unhedged, SGD hedged ¹	HKD/USD unhedged, AUD/CAD/NZD/RMB/SGD hedged ¹
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: Lillian Cao; Luo Jing, CFA;

Yu Chen Jun; Michelle Yu, CFA

Senior Fund Managers: Frank Tsui

Fixed income investment team:

Co-Chief Investment Officer, Fixed Income: Sean Chang; Gordon Ip, CFA

Head of Credit Research & Strategy: Anna Ho

Fund Manager: Danielle Li

Key corporate awards

CIO of the Year in Asia (Fixed Income) ¹¹CIO of the Year (Fixed Income, Hong Kong) ¹¹

Winner: Mr. Gordon IP

~ Insight & Mandate, Professional Investment Awards 2020

Top Investment House in Asian G3 Bonds ¹²Top Investment House in Asian Local Currency Bond ¹²

(both for the Hedge Fund category)

~ The Asset Benchmark Research Awards 2019

Asia ex-Japan Equity House: Best-in-Class

Greater China Equity House: Outstanding Achiever

~ Benchmark Fund of the Year Awards 2018, Hong Kong ¹³Scan QR code for fund documents ¹⁴:

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.

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