

Value Partners Fund Series

Value Partners Asian Innovation Opportunities Fund



NAV per unit : Class A USD Unhedged Acc - USD17.63 | Class A USD Unhedged MDis - USD16.42
Fund size : USD32.6 million

★★★★★
Morningstar Rating™*
As at 31-05-2024

CIES Eligible[△]

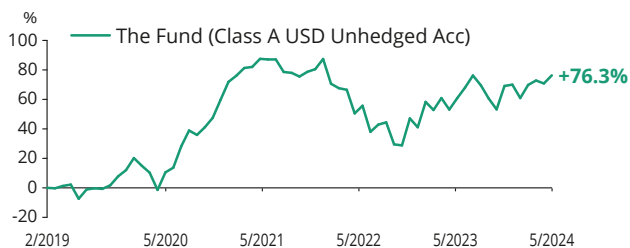
May 2024

- 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	+3.7%
One month	+3.2%
One year	+9.6%
Three years	-5.8%
Five Years	+90.4%
Total return since launch	+76.3%
Annualized return since launch [△]	+11.4%

NAVs & codes

Classes ¹	NAV	ISIN	Bloomberg
Class A AUD Hedged MDis	14.95	HK0000475878	VPAIAAH HK
Class A CAD Hedged MDis	15.82	HK0000475886	VPAIACH HK
Class A HKD Unhedged Acc	17.58	HK0000475902	VPAIOAU HK
Class A HKD Unhedged MDis	16.36	HK0000475910	VPAIAHU HK
Class A NZD Hedged MDis	14.81	HK0000475928	VPAIANH HK
Class A RMB Hedged MDis	15.86	HK0000475936	VPAIARH HK
Class A USD Unhedged Acc	17.63	HK0000475969	VPASIAU HK
Class A USD Unhedged MDis	16.42	HK0000475977	VPASAAU HK
Class A SGD Hedged Acc	10.66	HK0000475944	VPAIASH HK

The Fund - Class A USD Unhedged Acc: Monthly performance

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	+12.2%	-3.5%	+5.3%	-4.8%	+5.0%	+4.5%	+4.9%	-3.7%	-5.3%	-4.6%	+10.4%	+0.5%	+20.5%
2024 (YTD)	-5.4%	+5.5%	+1.8%	-1.2%	+3.2%								+3.7%

[△] The Fund is one of the eligible collective investment schemes for the purpose of the New Capital Investment Entrant Scheme (New CIES) in Hong Kong with effect from 1 March 2024.
[△] Annualized return is calculated from inception based on published NAV.

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

Follow us on 惠理集团

Dividend information - Class MDis²

Classes ¹	Dividend amount / unit	Annualized Ex-dividend yield	Ex-dividend date
Class A AUD Hedged MDis	0.0065	0.5%	31-5-2024
Class A CAD Hedged MDis	0.0126	1.0%	31-5-2024
Class A HKD Unhedged MDis	0.0189	1.4%	31-5-2024
Class A NZD Hedged MDis	0.0286	2.3%	31-5-2024
Class A RMB Hedged MDis	0.0069	0.5%	31-5-2024
Class A USD Unhedged MDis	0.0190	1.4%	31-5-2024

Top holdings - equities³

Holdings	Sector ⁴	Geography	%
Taiwan Semiconductor Manufacturing Co Ltd	Semiconductors & semiconductor equipment	Taiwan	9.1
Tencent Holdings Ltd	Media & entertainment	Hong Kong	9.0
NVIDIA Corp	Semiconductors & semiconductor equipment	United States	8.8
PDD Holdings Inc	Retailing	United States	5.7
SK Hynix Inc	Semiconductors & semiconductor equipment	South Korea	5.1

These equities constitute 38% of the Fund.

Top holdings - fixed income³

Holdings	Sector ⁴	Geography	%
Lenovo Group Ltd 5.875% 04/24/2025	Technology, hardware & equipment	China	2.1
LG Energy Solution Ltd 5.75% 09/25/2028	Capital goods	South Korea	2.1
Panasonic Holdings Corp 3.113% 07/19/2029	Consumer durables & apparel	Japan	1.9
SK Hynix Inc 2.375% 01/19/2031	Semiconductors & semiconductor equipment	South Korea	1.7
SoftBank Group Corp 5.125% 09/19/2027	Telecommunication services	Japan	1.4

These fixed income securities constitute 9% of the Fund.

Portfolio characteristics

As at 31 May 2024

Portfolio yield ⁵	1.7%
The Fund (Class A USD Unhedged Acc)	
Annualized volatility (3 years) ⁶	20.5%

Asset type by geography (%) ³

	Equities	Fixed Income	Total
Japan	17.0	3.5	20.5
United States	19.1	-	19.1
Hong Kong	19.0	-	19.0
Taiwan	15.1	-	15.1
South Korea	10.2	3.9	14.1
China A-shares	4.5	-	4.5
China	-	3.5	3.5
Red Chips	0.7	-	0.7
Cash ⁷	-	-	3.5
Total	85.6	10.9	100.0

Asset type by sector (%) ⁴

	Equities	Fixed Income	Total
Semiconductors & semiconductor equipment	31.1	-	31.1
Technology, hardware & equipment	13.5	-	13.5
Media & entertainment	12.4	-	12.4
Retailing	6.9	-	6.9
Consumer services	4.3	-	4.3
Information technology	-	3.9	3.9
Consumer durables & apparel	3.5	-	3.5
Health care equipment & services	3.5	-	3.5
Industrials	-	3.5	3.5
Capital goods	3.4	-	3.4
Consumer discretionary	-	2.0	2.0
Food, beverage & tobacco	2.0	-	2.0
Commercial services & supplies	1.7	-	1.7
Communication services	-	1.5	1.5
Automobiles & components	1.3	-	1.3
Real estate	1.3	-	1.3
Telecommunication services	0.7	-	0.7
Cash ⁷	-	-	3.5
Total	85.6	10.9	100.0

Credit ratings of fixed income ⁸

BBB	9.4%	Investment grade	9.4%
BB	1.5%	High yield	1.5%
		Average credit rating ⁹	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
	8 Jan 2024
	- Class A SGD Hedged Acc
Dealing frequency:	Daily

Fee structure & Subscription information (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	

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Deputy Chief Investment Officer, Equities: Yu Chen Jun

Senior Investment Directors: Norman Ho, CFA; Renee Hung

Chief Investment Officer, Multi Assets: Kelly Chung, CFA

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

Gordon Ip, CFA

Investment Directors: Lillian Cao; Luo Jing, CFA; Michelle Yu, CFA

Senior Fund Managers: Danielle Li, Frank Tsui

Fund Manager: Willie Wu, CFA

Key corporate awards



Best Performer ¹⁰

Mixed Allocation - Asia Pacific Mutual Funds (1 year)

~ Bloomberg Businessweek/Chinese Top Funds To Watch

2023

CIO of the Year in Asia (Fixed Income) ¹¹

CIO 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 ¹²

Top 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 ¹³

Greater China Equity House: Outstanding Achiever ¹³

~ Benchmark Fund of the Year Awards 2018, Hong Kong

Scan QR code for fund documents ¹⁴:



Source: Value Partners, HSBC Institutional Trust Services (Asia) Limited, FactSet 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 2024. 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 As dividends may be paid out from capital, this may result in an immediate decrease in the NAV per share/unit and may reduce the capital available for the Fund for future investment and capital growth. Distributions are not guaranteed and may fluctuate. Past distributions are not necessarily indicative of future trends, which may be lower. Distribution payouts and its frequency are determined by the manager. The payment of distributions should not be confused with the Fund's performance, rate of return or yield. Positive distribution yield does not imply positive return. Annualized yield of MDis Class is calculated as follows: (Latest dividend amount/NAV as at ex-dividend date) x 12. Please refer to the offering document further details including the distribution policy. ³ Equities are classified by country of listing and fixed income securities are classified by country of risk. ⁴ Classification is based on Global Industry Classification Standard (GICS). ⁵ Source: FactSet & Bloomberg. It refers to the weighted average of dividend yield (equities) & Yield to Worst (fixed income securities). ⁶ Volatility is a measure of the theoretical risk in terms of standard deviation, based on monthly return over the past 3 years. ⁷ Cash: 3.5%, includes receivables and payables (except cash for collaterals and margins). ⁸ The highest 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. ⁹ 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. ¹⁰ Awards are based on historical data available on the Bloomberg Terminal. Mutual Funds (1 year) are measured by 1 year of historical pricing data, which measuring period was from 1 Oct 2022 to 30 Sep 2023, ranking is based on 1 year total return figure. ¹¹ The award reflects performance up to 31 Dec 2019. ¹² The Asset Benchmark Research Awards 2019 judged performance of top investment houses based on the number of votes from top-rated analysts, economists and strategists. ¹³ The award reflects performance up to 30 Sep 2018. 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.