

# Value Partners Fund Series

## Value Partners China A-Share Select Fund



NAV per unit: Class A RMB (CNH) – RMB14.30  
 Fund size : USD28.8 million (RMB208.1 million)

★★★★  
 Morningstar Rating™\*  
 As at 31-07-2024

CIES Eligible<sup>△</sup>

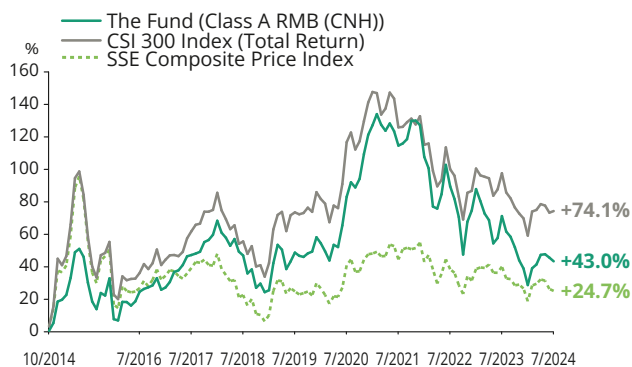
July 2024

- Value Partners China A-Share Select Fund (The "Fund") invests primarily in RMB-denominated equities in China.
- The Fund is also subject to concentration risk as a result of investing only in China. Adverse developments in such region may affect the value of the underlying securities in which the Fund invests. The value of the Fund can be extremely volatile and could go down substantially within a short period of time. It is possible that the entire value of your investment could be lost.
- The Fund intends to invest predominantly in China A-shares directly, via its Manager's RQFII quota. Investors will be subject to certain risks including repatriation risk, custodial risk, regulatory risk and risks associated with the Manager's RQFII status. In addition, the RQFII policy and rules are relatively new and there may be uncertainty in implementation and such policy and rules are subject to change. All these may adversely impact the Fund.
- The Fund and its primary investments are denominated in RMB. RMB is currently not a freely convertible currency and is subject to foreign exchange control policies, as well as repatriation restrictions imposed by the PRC government. Investors whose base currencies of investments are not in RMB should take into account the potential risk of loss arising from fluctuations in value between such currencies and the RMB.
- 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.
- 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 achieve long-term capital growth and income appreciation by predominately investing in RMB-denominated equities in the PRC utilizing the Manager's RQFII quota.

### Performance since launch



### NAVs & codes

Classes <sup>1</sup>	NAV	ISIN	Bloomberg
Class A RMB (CNH)	14.30	HK0000220001	VPCAARM HK
Class A USD Unhedged	12.07	HK0000220019	VPCAAUU HK
Class A USD Hedged	12.69	HK0000220027	VPCAAUH HK
Class A HKD Unhedged	12.11	HK0000220035	VPCAAHU HK
Class A HKD Hedged	12.10	HK0000220043	VPCAAHH HK
Class A GBP Unhedged	14.05	HK0000220076	VPCAAGU HK
Class A GBP Hedged	11.23	HK0000220084	VPCAAGH HK
Class A AUD Unhedged	13.34	HK0000220092	VPCAAAU HK
Class A AUD Hedged	11.84	HK0000220100	VPCAAAH HK
Class A CAD Hedged	11.19	HK0000220126	VPCAACH HK
Class A EUR Hedged	10.63	HK0000220068	VPCAAEH HK
Class A NZD Unhedged	12.43	HK0000220134	VPCAANU HK
Class A NZD Hedged	12.05	HK0000220142	VPCAANH HK

### Performance update

	The Fund (Class A RMB (CNH))	CSI 300 Index (Total Return)	SSE Composite Price Index
Year-to-date	+3.2%	+2.7%	-1.2%
One month	-1.6%	+0.6%	-1.0%
One year	-16.4%	-11.8%	-10.7%
Three years	-33.4%	-22.9%	-13.5%
Five years	-3.6%	+0.5%	+0.2%
Total return since launch	+43.0%	+74.1%	+24.7%
Annualized return since launch <sup>△</sup>	+3.7%	+5.8%	+2.3%

### The Fund – Class A RMB (CNH): Monthly performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	+0.9%	+2.5%	+8.7%	+11.9%	+1.4%	-3.3%	-11.0%	-9.0%	-4.0%	+8.8%	-1.3%	+8.7%	+12.1%
2016	-19.0%	-0.7%	+10.8%	-0.1%	-1.9%	+2.2%	+5.1%	+1.4%	+0.8%	+0.9%	+3.5%	-5.4%	-5.3%
2017	+1.1%	+2.7%	+4.8%	+0.7%	+2.4%	+3.8%	+0.5%	+0.6%	+0.7%	+4.0%	+0.8%	+2.0%	+27.1%
2018	+5.5%	-4.4%	-1.9%	-3.2%	+2.8%	-5.0%	-1.6%	-7.6%	+1.8%	-8.3%	+2.1%	-4.1%	-22.3%
2019	+1.0%	+13.3%	+8.0%	-2.0%	-8.0%	+3.4%	+3.8%	-1.3%	-0.5%	+1.5%	+0.7%	+6.0%	+27.4%
2020	-2.3%	-3.2%	-3.8%	+6.8%	-0.9%	+8.8%	+10.7%	+4.9%	-1.7%	+2.8%	+7.9%	+5.7%	+40.2%
2021	+2.7%	+3.0%	-2.8%	-1.6%	+2.0%	-2.1%	-4.0%	+0.6%	+1.3%	+5.2%	+0.1%	-1.2%	+2.7%
2022	-8.7%	-3.4%	-11.8%	-0.7%	+5.1%	+9.9%	-6.6%	-4.1%	-6.2%	-13.6%	+13.8%	+4.1%	-23.3%
2023	+7.6%	-3.9%	-4.3%	-2.3%	-8.5%	+2.1%	+8.6%	-5.6%	-2.0%	-4.1%	-5.3%	-3.5%	-20.5%
2024 (YTD)	-7.4%	+8.1%	+1.7%	+4.3%	+0.3%	-1.4%	-1.6%						+3.2%

<sup>△</sup> 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.

<sup>△</sup> Annualized return is calculated from inception based on published NAV.

## Top holdings

Name	Industry <sup>2</sup>	%
China Merchants Bank Co Ltd	Banks	5.6
China Yangtze Power Co Ltd	Utilities	5.4
Zhuzhou CRRC Times Electric Co Ltd	Capital goods	5.1
Zhejiang Juhua Co Ltd	Materials	4.2
Jiangsu Zhongtian Technology Co Ltd	Capital goods	3.9

These securities constitute 24% of the Fund.

## Portfolio characteristics

As at 31 Jul 2024

Price/earnings ratio	14.3 times		
Price/book ratio	1.8 times		
Portfolio yield	2.9%		
	<b>The Fund (Class A RMB (CNH))</b>	<b>CSI 300 Index (Total Return)</b>	<b>SSE Composite Price Index</b>
Annualized volatility (3 years) <sup>3</sup>	21.3%	16.7%	14.4%

## Geographical exposure by listing<sup>4</sup>

Shanghai A-shares	71%
Shenzhen A-shares	28%
Cash <sup>5</sup>	1%

## Sector exposure<sup>4</sup>

Industrials	36%
Consumer discretionary	15%
Materials	12%
Utilities	8%
Banks	6%
Consumer staples	6%
Energy	6%
Real estate	4%
Others	6%
Cash <sup>5</sup>	1%

## Fund facts

Manager & RQFII holder:	Value Partners Hong Kong Limited
Base currency:	RMB
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Custodian:	The Hongkong and Shanghai Banking Corporation Limited
PRC custodian:	HSBC Bank (China) Company Limited
Launch date:	16 Oct 2014 – Class A RMB (CNH) 29 Oct 2014 – Class A USD Unhedged 12 Nov 2014 – Class A AUD/CAD/EUR/HKD/NZD/USD Hedged 13 Nov 2014 – Class A HKD Unhedged 14 Nov 2014 – Class A GBP Hedged 26 Nov 2014 – Class A GBP Unhedged 28 Nov 2014 – Class A AUD Unhedged 16 Jan 2015 – Class A NZD Unhedged
Dealing frequency:	Daily

## Fee structure & Subscription information

Class A	
Minimum subscription	RMB60,000 or equivalent
Minimum subsequent subscription	RMB30,000 or equivalent
Subscription fee	Up to 5%
Redemption fee	Nil
Management fee	1.5% p.a.
Performance fee <sup>6</sup>	15% of profit (High-on-High)

## 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

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

**Senior Fund Manager:** Frank Tsui

**Fund Managers:** Wei Ming Ang, CFA; Van Liu

## Key corporate awards



**Asia ex-Japan Equity House: Best-in-Class<sup>7</sup>**  
**Greater China Equity House: Outstanding Achiever<sup>7</sup>**  
 ~ Benchmark Fund of the Year Awards 2018, Hong Kong

**Offshore China Equity (10-year)<sup>8</sup>**  
 ~ Insight & Mandate, Professional Investment Awards 2018

Scan QR code for fund documents<sup>9</sup>:



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](mailto:fis@vp.com.hk).

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