



**VALUE PARTNERS CHINA A-SHARE SELECT FUND**  
A Sub-Fund of Value Partners Fund Series

# 2016 ANNUAL REPORT

For the year ended 31 December 2016

**Value Partners Hong Kong Limited**  
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41 Connaught Road Central, Hong Kong  
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*In the event of inconsistency, the English text of this Annual Report shall prevail over the Chinese text.  
This report shall not constitute an offer to sell or a solicitation of an offer to buy shares in any of the funds.  
Subscriptions are to be made only on the basis of the information contained in the explanatory memorandum,  
as supplemented by the latest semi-annual and annual reports.*

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## CONTENTS

	<i>Pages</i>
General information	2-3
Manager's report	4-6
Statement of responsibilities of the Manager and the Trustee	7
Trustee's report	8
Independent auditor's report	9-12
Statement of financial position	13
Statement of comprehensive income	14
Statement of changes in net assets attributable to redeemable participating unitholders	15
Statement of cash flows	16
Notes to the financial statements	17-41
Investment portfolio (unaudited)	42-43
Investment portfolio movements (unaudited)	44
Performance record (unaudited)	45-46

# **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## **GENERAL INFORMATION**

### **Manager**

Value Partners Hong Kong Limited  
9th Floor, Nexus Building  
41 Connaught Road Central  
Hong Kong

### **Legal Advisors**

Simmons & Simmons  
13th Floor One Pacific Place  
88 Queensway  
Hong Kong

### **Directors of the Manager**

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

### **Auditor**

PricewaterhouseCoopers  
21st Floor, Edinburgh Tower  
15 Queen's Road Central  
Hong Kong

### **Trustee and Registrar**

HSBC Institutional Trust Services (Asia) Limited  
1 Queen's Road Central  
Hong Kong

**Information available from:**  
Value Partners Hong Kong Limited  
9th Floor, Nexus Building  
41 Connaught Road Central  
Hong Kong

### **Custodian**

The Hongkong and Shanghai Banking  
Corporation Limited  
1 Queen's Road Central  
Hong Kong

Telephone : (852) 2143 0688  
Fax : (852) 2565 7975  
Email : fis@vp.com.hk  
Website : [www.valuepartners-group.com](http://www.valuepartners-group.com)

### **PRC Custodian**

HSBC Bank (China) Company Limited  
33th Floor, HSBC Building, Shanghai IFC  
8 Century Avenue, Pudong  
Shanghai 200120  
China

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## GENERAL INFORMATION (Continued)

### Recent awards and achievements

Corporate Awards	
2016	<ul style="list-style-type: none"><li>• The 14th China's Financial Annual Champion Awards 2016 Value Partners: Best Asset Management Service Provider of the Year – Hexun.com</li><li>• The Asset Benchmark Research Awards 2016 – G3 Bonds Top Investment House Value Partners – Ranked 2nd in Hedge Fund category – The Asset Benchmark Survey</li><li>• The Asset Triple A, Asset Servicing, Investor and Fund Management Awards 2016 Asset Management Company of the Year (Hong Kong) Value Partners – Highly Commended Fund House – The Asset</li><li>• Asset Management Awards 2016 Fund House of the Year – Hong Kong – AsianInvestor</li><li>• Asset Management Awards for Excellence 2016 Best Fund Provider – Greater China Equity – Asian Private Banker</li><li>• Thomson Reuters Lipper Fund Awards 2016 Best Equity Group (Hong Kong) – Thomson Reuters</li><li>• 2015 Best of the Best Performance Awards Value Partners: 20-Year Award for Greater China – Asia Asset Management</li><li>• 2015 Best of the Best Regional Awards Value Partners: Longevity Awards – Best Asset Management House over the last 20 Years (Co-Winner) – Asia Asset Management</li><li>• International Financial Annual Champion Awards 2015 Value Partners: Best Asset Management Service Provider – SEEC and Hexun.com</li></ul>

## **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

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### **MANAGER'S REPORT**

2016 was a challenging year for China's stockmarket — it began with a widespread sell-off sparked by the failed circuit-breaking system, and its recovery later in the year was masked by concerns over China's slowdown, RMB depreciation, and poor global investment sentiment.

In the fourth quarter, Value Partners China A-Share Select Fund (the Sub-Fund) returned -1.2% amid heightened uncertainties post Donald Trump's US Presidential Election victory and emerging market outflows caused by higher inflation expectation in the US and a stronger USD. For reference, Hang Seng Index dropped 1.3%, while Shanghai Composite Index and CSI 300 Index gained 3.3% and 1.8% during the period, respectively.

On a full-year basis, the Sub-Fund dropped 5.3% in 2016, mainly dragged by performance in the first two months of the year. For reference, Shanghai composite Index and CSI 300 Index declined 12.3% and 9.3% during the period, respectively, in a year when large-cap benchmark stocks shined.

#### **Portfolio strategy review**

In view of the increased volatility in the market, we remained nimble throughout the year, particularly in the first half of 2016. We de-risked the portfolio by lifting cash weighting in January and February as concerns on China policy implementations emerged. After a more-than-20% broad-based market correction in the first two months, we started to deploy cash cautiously as we believed valuations overshot on the downside with consensus earnings estimates being excessively conservative.

#### **Outlook**

2017 will likely be another volatile year. In the US, a new president with strong business background will take the helm, and in Europe, more presidential and general elections are coming up. In this context, China remains relatively stable both economically and politically.

The Beijing government has made steady progress in pushing ahead supply-side reforms. The China manufacturing purchasing managers' index (PMI) rose to 51.7 in November – its highest reading since July 2014, and sentiment improved the most amongst large corporations. The producer price index (PPI) rallied in 2016 and is poised to strengthen further. Meanwhile, a new round of industrial restocking has also begun. Industrial and corporate profits rebounded, and household income growth continued to grow.

The 19th National Congress of the Communist Party of China will be held in the autumn of 2017. This twice-a-decade party congress – the previous was held in 2012 – is closely watched mostly due to a far-reaching change in the makeup of the top leadership of the Communist Party. It is not surprising that, against this backdrop, stability was once again highlighted as a top policy priority for 2017 at the recent Politburo meeting. Faced with political reshuffles, the Party would like anything but surprises.

## VALUE PARTNERS CHINA A-SHARE SELECT FUND

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### MANAGER'S REPORT (Continued)

Meanwhile, Trump has yet to prove to the market if he will put his anti-China rhetoric into protectionist policies. In our view, to make "America great again" via heavy infrastructure investment and tax cuts, a strong China is needed. At its worst, not only will a trade war hurt China but also bring backlash in the US as it will stoke inflation and dent domestic consumption. China, on the other hand, may have more firepower to cushion against such situation given its political control and its economy which is still growing relatively faster than other major economies.

Driven by expectations of continued earnings recovery and fiscal stimulus to maintain growth, we remain constructive on Greater China equities. While we believe global macro and policy uncertainties shall continue, our investment will focus on 1) quality stocks to combat RMB depreciation; 2) companies with strong research and development leadership to avoid cyclical risk, 3) consumption stocks that benefit from the robust spending on living standard improvement; 4) Hong Kong small and mid-cap stocks to embrace the southbound capital flow from the mainland and 5) quality China A-share companies trading at attractive valuations.

From our experience, investing in China is never plain sailing. There will be bumps along the way from external shocks and unexpected hiccups in policies execution. Pressure will still be on as China battles RMB depreciation and capital outflows while managing financial risks in the property and bond markets. In such an uncertain environment, investors should stick to a bottom-up stock-picking approach which focuses on fundamentals.

#### Corporate update

In December, VP appointed Dr AU King Lun as the VP Chief Executive Officer (CEO) to strengthen Value Partners' management team at a time that we call "an era of golden opportunities". As the CEO of Value Partners, Dr AU takes charge of the Group's business and corporate affairs. He brings with him almost 30 years of industry experience and network in the Asian asset management industry. Our vision is to become a world-class asset management group, and Dr AU together with the other very-capable managers we already have in our team can help us achieve our vision.

#### Value Partners Hong Kong Limited

25 April 2017

*All performance figures are sourced from The Hong Kong and Shanghai Banking Corporation Limited and Bloomberg, (in RMB, NAV to NAV, with dividends reinvested) as at 30 December 2016. Performance data is net of all fees.*

*The views expressed are the views of Value Partners Hong Kong Limited only and are subject to change based on market and other conditions. The information provided does not constitute investment advice and it should not be relied on as such. All material has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. This material contains certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected.*

## VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

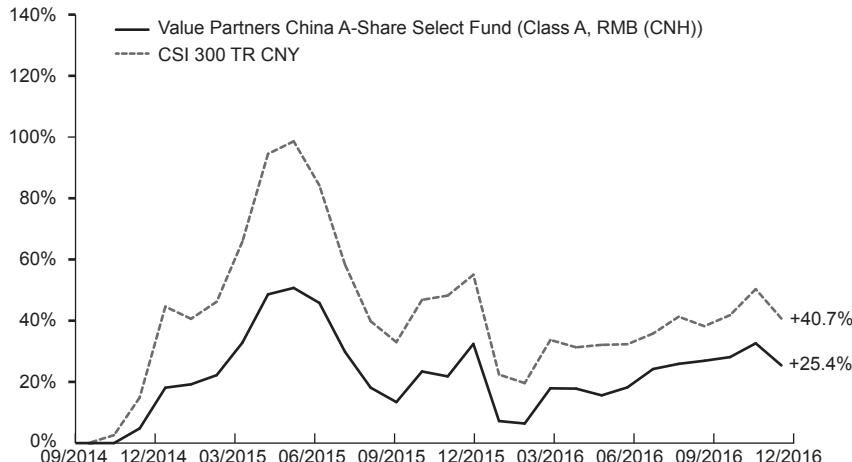
### MANAGER'S REPORT (Continued)

Value Partners China A-Share Select Fund – NAV as at 31 December 2016

Classes	NAV per unit
Class A RMB (CNH)	CNH12.54
Class A USD Unhedged	USD11.13
Class A USD Hedged	USD11.62
Class A HKD Unhedged	HKD11.15
Class A HKD Hedged	HKD11.67
Class A GBP Unhedged	GBP13.40
Class A GBP Hedged	GBP11.52
Class A AUD Unhedged	AUD10.93
Class A AUD Hedged	AUD11.79
Class A CAD Hedged	CAD10.92
Class A EUR Unhedged	EUR11.53
Class A EUR Hedged	EUR11.49
Class A NZD Unhedged	NZD9.96
Class A NZD Hedged	NZD11.60
Class X RMB	CNH14.03

Since launch return compared to indices

From 16 October 2014 to 31 December 2016



# **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## **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 and the Trust Deed dated 10 September 2014 to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of Value Partners China A-Share Select Fund (the "Sub-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 Sub-Fund will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Sub-Fund in accordance with the Trust Deed dated 10 September 2014 and take reasonable steps for the prevention and detection of fraud and other irregularities.

Value Partners Fund Series (the "Trust") is an umbrella unit trust governed by its Trust Deed date 10 September 2014. As at 31 December 2016, the Trust has established one sub-fund, namely, Value Partners China A-Share Select Fund.

### **Trustee's responsibilities**

The Trustee, is required to:

- ensure that the Sub-Fund is managed by the Manager in accordance with the Trust Deed dated 10 September 2014 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 Sub-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 Sub-Fund.

## **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella 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 China A-Share Select Fund, a Sub-Fund of Value Partners Fund Series, in accordance with the provisions of the Trust Deed dated 10 September 2014 for the year ended 31 December 2016.

For and on behalf of  
**HSBC Institutional Trust Services (Asia) Limited**

Trustee  
25 April 2017

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF

### VALUE PARTNERS FUND SERIES

#### – VALUE PARTNERS CHINA A-SHARE SELECT FUND

##### Opinion

###### *What we have audited*

The financial statements of Value Partners China A-Share Select Fund (the “Sub-Fund”) set out on pages 13 to 41, which comprise:

- the statement of financial position as at 31 December 2016;
- the statement of comprehensive income for the year then ended;
- the statement of changes in net assets attributable to redeemable participating unitholders for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

###### *Our opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Sub-Fund as at 31 December 2016, and its financial transactions and cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRS”).

###### *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 Sub-Fund in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

## **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF**

### **VALUE PARTNERS FUND SERIES**

### **– VALUE PARTNERS CHINA A-SHARE SELECT FUND (Continued)**

#### **Other Information**

The Manager and the Trustee (the "Management") are responsible for the other information. The other information comprises the information included in General information, Manager's report, Statement of responsibilities of the Manager and the Trustee, Trustee's report, Investment portfolio, Investment portfolio movements and Performance record, but does not include 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 Sub-Fund is responsible for the preparation and fair presentation of financial statements in accordance with International Financial Reporting 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 Sub-Fund is responsible for assessing the Sub-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 Sub-Fund or to cease operations, or has no realistic alternative but to do so.

In addition, the Management of the Sub-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 10 September 2014 (the "Trust Deed") and Appendix E of the Code on Unit Trust and Mutual Funds issued by the Securities and Futures Commission of Hong Kong (the "SFC Code").

# **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF**

### **VALUE PARTNERS FUND SERIES**

#### **– VALUE PARTNERS CHINA A-SHARE SELECT FUND (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 Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions at the Trust Deed and 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 Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- 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 Sub-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 Sub-Fund to cease to continue as a going concern.

## **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF**

### **VALUE PARTNERS FUND SERIES**

#### **– VALUE PARTNERS CHINA A-SHARE SELECT FUND (Continued)**

#### **Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

- 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 the SFC Code**

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the SFC Code.

**PricewaterhouseCoopers**  
Certified Public Accountants  
Hong Kong

25 April 2017

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## **STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2016

	Note	2016 CNH	2015 CNH
<b>Assets</b>			
Deposits reserve	5	224,000	224,000
Financial assets at fair value through profit or loss	3 (d)	710,832,192	864,438,433
Amounts receivable from subscription of units		899,197	38,637,463
Dividends, interest and other receivables		804,260	833,796
Bank balances		<u>49,049,363</u>	<u>45,254,140</u>
<b>Total assets</b>		<u>761,809,012</u>	<u>949,387,832</u>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	3 (d)	7,340	28,769
Management fee payable		730,477	904,673
Performance fee payable		82,805	18,684,936
Trustee fees payable		100,786	120,386
Amounts payable on redemption of units		1,055,545	12,301,894
Accruals and other payables		<u>806,428</u>	<u>1,017,315</u>
<b>Liabilities (excluding net assets attributable to unitholders)</b>		<u>2,783,381</u>	<u>33,057,973</u>
<b>Net assets attributable to unitholders</b>	6	<u>759,025,631</u>	<u>916,329,859</u>

Signed by:

**Value Partners Hong Kong Limited, Manager**

**HSBC Institutional Service (Asia) Limited, Trustee**

The notes on pages 17 to 41 are an integral part of these financial statements.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2016

		Period from 16 October 2014 (date of commencement of operations)
	Year ended 31 December 2016	to 31 December 2015
	Note	CNH
<b>Income</b>		
Dividends	12,861,472	15,853,037
Interest on bank deposits	49,495	196,275
Net realised losses on investments	(6,972,029)	(5,404,379)
Change in unrealised gains/losses on investments	(37,235,745)	117,869,765
Net foreign exchange gains	256,615	1,339,351
Other income	154	10
	<hr/>	<hr/>
	(31,040,038)	129,854,059
<b>Expenses</b>		
Management fee	7 (a)	(8,751,941)
Performance fee	7 (b)	(82,804)
Trustee fees	7 (c)	(1,195,166)
Transaction cost	7 (f)	(1,302,358)
Preliminary expenses		(200,000)
Auditors remuneration		(164,815)
Legal & professional fees		(90,980)
Other operating expenses		(698,273)
	<hr/>	<hr/>
	(12,486,337)	(33,803,351)
<b>(Loss)/profit before tax</b>		
Withholding tax on dividends and other investment income		(43,526,375)      96,050,708
	<hr/>	<hr/>
	(1,317,990)	(1,544,923)
<b>(Loss)/profit after tax and (decrease)/increase in net assets attributable to unitholders from operations</b>		
	<hr/>	<hr/>
	(44,844,365)	94,505,785

The notes on pages 17 to 41 are an integral part of these financial statements.

**VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE****TO UNITHOLDERS**

FOR THE YEAR ENDED 31 DECEMBER 2016

	Period from 16 October 2014 (date of commencement of operations)	
Year ended 31 December	2016 CNH	2015 CNH
<b>Net assets attributable to unitholders at the beginning of the year/period</b>	916,329,859	—
Issue of units	291,405,406	1,805,959,015
Redemption of units	(403,865,269)	(984,134,941)
<b>Net (decrease)/increase from capital transactions</b>	(112,459,863)	821,824,074
<b>(Decrease)/increase in net assets attributable to unitholders from operations</b>	<u>(44,844,365)</u>	<u>94,505,785</u>
<b>Net assets attributable to unitholders at the end of the year/period</b>	<u>759,025,631</u>	<u>916,329,859</u>

The notes on pages 17 to 41 are an integral part of these financial statements.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Year ended 31 December 2016 CNH	Period from 16 October 2014 (date of commencement of operations) to 31 December 2015 CNH
<b>Cash flows from operating activities</b>		
(Decrease)/increase in net assets attributable to unitholders from operations	(44,844,365)	94,505,785
Adjustments for:		
Dividends and interest on bank deposits	(12,910,967)	(16,049,312)
Withholding tax on dividends	<u>1,317,990</u>	<u>1,544,923</u>
	<u>(56,437,342)</u>	<u>80,001,396</u>
Increase in deposits reserve	—	(224,000)
Decrease/(increase) in financial assets at fair value through profit or loss	153,606,241	(864,438,433)
Decrease/(increase) in other receivables	29,536	(833,796)
(Decrease)/increase in financial liabilities at fair value through profit or loss	(21,429)	28,769
(Decrease)/increase in management fee payable, performance fee payable, accruals and other payables	<u>(19,006,814)</u>	<u>20,727,310</u>
Cash generated from/(used in) operations	78,170,192	(764,738,754)
Dividends and interest on bank deposits received	12,910,967	16,049,312
Withholding tax on dividends paid	<u>(1,317,990)</u>	<u>(1,544,923)</u>
<b>Net cash inflow/(outflow) from operating activities</b>	<u>89,763,169</u>	<u>(750,234,365)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of units	329,143,672	1,767,321,552
Payments on redemption of units	<u>(415,111,618)</u>	<u>(971,833,047)</u>
<b>Net cash (outflow)/inflow from financing activities</b>	<u>(85,967,946)</u>	<u>795,488,505</u>
<b>Net increase in cash and cash equivalents</b>	3,795,223	45,254,140
Cash and cash equivalents as at the beginning of the year/period	<u>45,254,140</u>	<u>—</u>
<b>Cash and cash equivalents at the end of the year/period</b>	<u>49,049,363</u>	<u>45,254,140</u>

The notes on pages 17 to 41 are an integral part of these financial statements.

# **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1 GENERAL INFORMATION**

Value Partners China A-Share Select Fund (the "Sub-Fund") is a sub-fund of Value Partners Fund Series, an umbrella unit trust established under the laws of Hong Kong and governed by the Trust Deed dated 10 September 2014. The Sub-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 Sub-Fund's investment objective is to achieve long-term capital growth and income appreciation by predominantly investing in RMB-denominated equities in the PRC by virtue of the Manager's status and quota under the RMB Qualified Foreign Institutional Investor ("RQFII") framework and/or through Stock Connect. The Sub-Fund's investment activities are managed by Value Partners Hong Kong Limited (the "Manager"). The Sub-Fund's administration is delegated to HSBC Institutional Trust Services (Asia) Limited (the "Trustee" and "Registrar"). On the other hand, the Manager actively manages the RQFII quota obtained and may impose limits on subscription applications as it considers appropriate.

These financial statements are prepared for the Sub-Fund only.

### **2 SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

#### **(a) Basis of preparation**

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). They have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates. It also requires the exercise of judgment in the process of applying the Sub-Fund's accounting policies.

All references to net assets throughout this document refer to net assets attributable to redeemable participating unitholders unless otherwise stated.

## **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

### **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

## **2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

### **(a) Basis of preparation (Continued)**

*Standards that are not yet effective and have not been early adopted by the Sub-Fund*

IFRS 9 "Financial instruments", addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit and loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. There were no changes to classification and measurement for financial liabilities at fair value through profit and loss, except for the requirement to recognize changes in own credit risk in other comprehensive income. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The Sub-Fund is yet to assess IFRS 9's full impact.

There are no other amended standards or interpretations that are not yet effective that would have a material impact on the Sub-Fund.

### **(b) Financial assets and liabilities at fair value through profit or loss**

#### **(i) Classification**

The Sub-Fund classifies its investments as financial assets or liabilities at fair value through profit or loss. These financial assets and liabilities are classified as held for trading.

All derivatives are carried in assets when amounts are receivable by the Sub-Fund and in liabilities when amounts are payable by the Sub-Fund.

#### **(ii) Recognition/derecognition**

Regular purchases and sales of investments are recognised on the trade date – the date on which the Sub-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 Sub-Fund has transferred substantially all risks and rewards of ownership.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (b) Financial assets and liabilities at fair value through profit or loss (Continued)

##### (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 and liabilities at fair value through profit or loss are presented in the statement of comprehensive income in the period 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.

Debt securities are fair valued based on quoted prices inclusive of accrued interest.

Over-the-counter derivatives that are not traded in an active market is determined by using broker quotes or valuation techniques.

#### (c) Income

Dividends are recognised when the right to receive payment is established.

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 gains/(losses) on investments" and "change in unrealised gains/losses on investments", which depends on whether the Sub-Fund is holding the debt security as at year end.

#### (d) Expenses

Expenses are accounted for on an accrual basis.

#### (e) 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, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognized in the statement of comprehensive income as an expense.

## **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

### **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

#### **2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

##### **(f) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where there is a legally enforceable right to offset 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 Sub-Fund or the counterparty.

##### **(g) Foreign currency translation**

The financial statements are presented in Chinese Offshore Yuan, which is the Sub-Fund's functional and presentation currency.

The Sub-Fund has adopted the Chinese Offshore Yuan as the functional currency of the Sub-Fund since the subscriptions and redemptions of the Sub-Fund are mainly transacted in Chinese Offshore Yuan. In addition, performance measurement and reporting to the redeemable participating unitholders as well as settlement of fees and expenses are carried out in Chinese Offshore Yuan.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

##### **(h) Taxation**

The Sub-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.

##### **(i) Preliminary expenses**

Preliminary expenses are recognised as an expense in the period in which they are incurred.

##### **(j) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of 3 months or less, and exclude deposits and overdraft with the prime broker as they are restricted for investment purposes.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (k) Redeemable units

The net asset value per unit is computed for each dealing day. The price at which units are issued or redeemed is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day.

Units of the Sub-Fund are redeemable at the options of the unitholders and are classified as financial liabilities in the statement of financial position which represents the net assets attributable to unitholders (or "net asset value" or "net assets" or "NAV"). The units are carried at the redemption amount that is payable at the reporting date if the unitholders exercise their right to redeem their units of the Sub-Fund.

#### (l) Presentation of financial statements

The assets and liabilities in statement of financial position are presented in order of liquidity.

### 3 FINANCIAL RISK MANAGEMENT

The Sub-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 Sub-Fund to manage these risks are discussed below:

#### (a) Market risk

##### (i) Foreign exchange risk

The Sub-Fund may hold assets denominated in currencies other than the United States dollar, the functional currency, it may therefore be exposed to foreign exchange risk. The Sub-Fund's overall currency positions are monitored on a regular basis by the Manager.

As at 31 December 2016, the Sub-Fund had no exposure to a single security greater than 10% of net assets (2015: Nil).

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 derivatives and monetary investments include debt securities.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
 (A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (a) Market risk (Continued)

##### (i) Foreign exchange risk (Continued)

	Total net foreign currency exposures			Estimated impact on net assets CNH
	Non-monetary net assets CNH equivalent	Monetary net assets CNH equivalent	Percentage change %	
<b>As at 31 December 2016</b>				
Australian dollar	–	33,952,872	+/-5	1,697,644
Canadian dollar	–	6,286,116	+/-5	314,306
Euro	–	1,591,506	+/-5	79,575
Hong Kong dollar	–	109,186,312	+/-5	5,459,316
New Zealand dollar	–	5,200,726	+/-5	260,036
Pound sterling	–	2,891,344	+/-5	144,567
United States dollar	–	233,393,879	+/-5	11,669,694
	–	<b>392,502,755</b>		
<b>As at 31 December 2015</b>				
Australian dollar	–	51,776,854	+/-5	+/-2,588,843
Canadian dollar	–	9,824,279	+/-5	+/-491,214
Euro	–	1,904,386	+/-5	+/-95,219
Hong Kong dollar	–	128,273,326	+/-5	+/-6,413,666
New Zealand dollar	–	7,262,598	+/-5	+/-363,130
Pound sterling	–	4,592,365	+/-5	+/-229,618
United States dollar	–	239,523,007	+/-5	+/-11,976,150
	–	<b>443,156,815</b>		

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (a) Market risk (Continued)

##### (ii) *Price risk*

The Manager manages price risk primarily through diversification of the portfolio and through a careful selection of securities and other financial instruments within specified limits as stated in the Explanatory Memorandum. The Sub-Fund's overall market positions are monitored on a daily basis by the Manager.

The Sub-Fund's overall market exposures at reporting date were as follows (exclusive of notional exposures on derivatives disclosed in note 4):

	% of net assets	
	2016	2015
<b>Financial assets at fair value through profit or loss</b>		
<b>Listed equity securities</b>		
China	92.10	92.76
	92.10	92.76
<b>Quoted debt securities</b>	1.21	1.37
<b>Currency forwards</b>	0.34	0.21
	<b>93.65</b>	<b>94.34</b>
<b>Financial liabilities at fair value through profit or loss</b>		
<b>Currency forwards</b>	(0.00)	(0.00)
	<b>(0.00)</b>	<b>(0.00)</b>

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (a) Market risk (Continued)

##### (ii) Price risk (Continued)

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

	2016	2015
	%	%
Consumer discretionary	27.86	14.14
Industrials	14.67	8.28
Financials	17.13	18.65
Consumer staples	1.85	11.37
Information technology	13.23	11.28
Utilities	2.65	5.93
Materials	3.04	0.00
Real estate	—	18.96
Healthcare	19.57	11.39
	100.00	100.00

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (a) Market risk (Continued)

##### (ii) Price risk (Continued)

The table below summarises the sensitivity of the Sub-Fund's portfolio of listed equity securities to equity price movements. The analysis is based on the assumptions that the China Securities Index 300 increased/decreased with all other variables held constant and that the fair value of the Sub-Fund's portfolio of listed equity securities 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	
	2016 %	2015 %	2016 CNH	2015 CNH
China Securities Index 300	+/-20	+/-20	+/-135,392,284	+/-161,123,716

##### (iii) Interest rate risk

The majority of the Sub-Fund's financial assets and liabilities are non-interest bearing. As a result, the Sub-Fund is no subject to significant amounts of risk due to fluctuation in prevailing levels of market interest rates.

Bank balances and deposits with the prime broker are subject to interest rate risk as the return is derived from the current inter-bank lending rates. Debt securities are also subject to interest rate risk; however, the interest rate risk is not actively managed as it is not considered significant. As a result, no sensitivity analysis was deemed necessary.

#### (b) Credit and counterparty risk

The Sub-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 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 only made when the securities have been received by the broker. If either party fails to meet its obligation, the trade will fail.

## VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 3 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.

Counterparty	2016 CNH	2015 CNH
Cash with banks		
Aa2	49,049,363	45,254,140
Investments placed with custodian and other broker		
Aa2	710,832,192	864,438,433
Amounts receivable on issue of units		
Unrated*	899,197	38,637,463

\* *The credit quality of amounts receivable on issue of units that are neither past due nor impaired can be assessed by historical information about counterparties default rates. The Manager considers there is no significant risk on such amounts at the reporting date as there was no default history on such counterparties in the past.*

##### (c) Liquidity risk

The table below summarises the credit quality of the Sub-Fund's portfolio of debt securities at the reporting date. The credit ratings are issued by Moody's.

Credit rating	2016 CNH	2015 CNH
Unrated*	9,212,979	12,511,661

\* *In order to monitor the credit quality of the "Unrated" debt securities, the Manager, on the basis of internal research, prepares its own assessment. The Manager reviews the key financial metrics of the issue and structural features of the instruments and concludes these "Unrated" debt securities in general have a relatively low risk of default. The Manager considers there is no significant risk on the unrated debt securities at the reporting date as there was no default history on the unrated debt securities in the past. As at 31 December 2016 and 2015, the issuers of the unrated debt securities were not rated by Moody's.*

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets, excluding equity securities as shown in the statement of financial position.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (c) Liquidity risk (Continued)

The table below analyses the Sub-Fund's financial liabilities based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. The table below reflects 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	
	2016 CNH	2015 CNH
Net assets attributable to unitholders	759,025,631	916,329,859
Derivatives	7,340	28,769
Management fee payable	730,477	904,673
Performance fee payable	82,805	18,684,936
Trustee fees payable	100,786	120,386
Amounts payable on redemption of units	1,055,545	12,301,894
Accruals and other payables	806,428	1,017,315
	<hr/>	<hr/>
	761,809,012	949,387,832
	<hr/>	<hr/>

Disclosure is required whenever there is a master netting arrangement irrespective of whether any balances have actually been offset in accordance with IAS 32 "Financial Instruments: Presentation". As at 31 December 2016, the Sub-Fund was subject to one passive hedging arrangements with its derivative counterparty. The arrangement gives the Sub-Fund and the counterparts the legally enforceable right to set-off certain financial assets and liabilities.

The Sub-Fund and its counterparty 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. Accordingly, all the financial assets and liabilities has been recognised in the statement of financial position on a gross basis.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (c) Liquidity risk (Continued)

The following table presents the Sub-Fund's financial assets and liabilities eligible to offsetting had the Sub-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.

	2016 CNH	2015 CNH
<b>Financial assets</b>		
Currency forwards	2,588,377	1,903,797
<b>Financial liabilities</b>		
Currency forwards	<u>(7,340)</u>	<u>(28,769)</u>
Net amount	<u><u>2,581,037</u></u>	<u><u>1,875,028</u></u>

As at 31 December 2016 and 2015, the Sub-Fund had no security nor cash pledged as collateral.

#### *Capital management*

The capital of the Sub-Fund is represented by the net assets attributable to unitholders which is subject to daily subscriptions and redemptions of redeemable units. The Sub-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;
- To 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 Sub-Fund invests may be relatively illiquid and the liquidity of these markets may fluctuate substantially over time. Investment of the Sub-Fund's assets in relatively illiquid securities may restrict the ability of the Sub-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.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (c) Liquidity risk (Continued)

As at 31 December 2016, 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 Sub-Fund's asset can be realised within 7 days or less to generate cash inflows for managing liquidity risk.

Below presents a list of investors who held more than 10% of the net assets of the Sub-Fund:

Investor	% of net assets
<b>As at 31 December 2016</b>	
Investor 1	25.53
Investor 2	22.61
Investor 3	10.03
<b>As at 31 December 2015</b>	
Investor 1	28.73
Investor 2	19.48
Investor 3	12.22

#### (d) Fair value estimation

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets and liabilities (by class) measured at fair value at the reporting date.

	Level 1 CNH	Level 2 CNH	Level 3 CNH	Total CNH
<b>As at 31 December 2016</b>				
<b>Financial assets held for trading</b>				
Listed equity securities	675,948,966	23,074,907	—	699,023,873
Quoted debt securities	—	9,219,942	—	9,219,942
Currency forwards	—	2,588,377	—	2,588,377
	<u>675,948,966</u>	<u>34,883,226</u>	<u>—</u>	<u>710,832,192</u>
<b>Financial liabilities held for trading</b>				
Currency forwards	—	7,340	—	7,340
	<u>—</u>	<u>7,340</u>	<u>—</u>	<u>7,340</u>

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (d) Fair value estimation (Continued)

	Level 1 CNH	Level 2 CNH	Level 3 CNH	Total CNH
<b>As at 31 December 2015</b>				
<b>Financial assets held for trading</b>				
Listed equity securities	794,091,069	55,924,943	–	850,016,012
Quoted debt securities	–	12,518,624	–	12,518,624
Currency forwards	–	1,903,797	–	1,903,797
	<u>794,091,069</u>	<u>70,347,364</u>	<u>–</u>	<u>864,438,433</u>
<b>Financial liabilities held for trading</b>				
Currency forwards	–	28,769	–	28,769
	<u>–</u>	<u>28,769</u>	<u>–</u>	<u>28,769</u>

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

Financial instruments that trade in markets that are not considered to be active 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.

The fair value estimation of investments classified within level 3 have significant unobservable inputs, as they are traded infrequently. As at 31 December 2016 and 2015, the Sub-Fund did not hold any level 3 investments.

There were no transfers between levels for the year ended 31 December 2016 and for the period from 16 October 2014 (date of commencement of operations) to 31 December 2015.

Other assets and liabilities are carried at amortised cost and their carrying values are a reasonable approximation of fair value.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **4 DERIVATIVE FINANCIAL INSTRUMENTS**

The Sub-Fund's derivative financial instruments at the reporting date are detailed as follows:

	<b>Notional amount</b> <i>Long/(short)</i>	<b>Fair value</b>	
		<b>Assets</b> <i>CNH</i>	<b>Liabilities</b> <i>CNH</i>
<b>As at 31 December 2016</b>			
Currency forwards	AUD6,803,866	188,725	—
Currency forwards	CAD1,187,662	15,818	—
Currency forwards	EUR191,570	19,776	—
Currency forwards	GBP310,233	1,019	—
Currency forwards	HKD119,659,785	813,484	—
Currency forwards	NZD1,041,113	57,970	—
Currency forwards	USD31,669,366	1,491,585	—
Currency forwards	(AUD207,369)	—	(7,340)
		<b>2,588,377</b>	<b>(7,340)</b>
<b>As at 31 December 2015</b>			
Currency forwards	AUD11,129,759	484,387	—
Currency forwards	CAD2,064,793	7,831	—
Currency forwards	(CAD70,665)	821	—
Currency forwards	EUR218,573	1,665	—
Currency forwards	(EUR8,152)	353	—
Currency forwards	(HKD5,167,169)	4,851	—
Currency forwards	(NZD59,004)	1,249	—
Currency forwards	(USD281,600)	393	—
Currency forwards	(GBP15,231)	919	—
Currency forwards	HKD156,895,475	496,314	—
Currency forwards	NZD1,603,232	56,669	—
Currency forwards	USD31,976,690	848,345	—
Currency forwards	(AUD459,882)	—	(14,027)
Currency forwards	GBP447,828	—	(5,937)
Currency forwards	HKD129,340	—	(39)
Currency forwards	(HKD1,600,263)	—	(3,858)
Currency forwards	(USD358,226)	—	(4,908)
		<b>1,903,797</b>	<b>(28,769)</b>

## **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **5 DEPOSIT RESERVE**

Deposit reserve refers to the deposit held in China Securities Depository and Clearing Corporation as the minimum clearing reserve fund for the Sub-Fund's investments in China securities purchased via the RQFII quota of the Manager's parent company.

### **6 NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**

#### **Redeemable participating units**

Units of the Sub-Fund are issued in 19 classes. Class A RMB (CNH), Class A USD Hedged, Class A USD Unhedged, Class A HKD Hedged, Class A HKD Unhedged, Class A EUR Hedged, Class A EUR Unhedged, Class A GBP Hedged, Class A GBP Unhedged, Class A AUD Hedged, Class A AUD Unhedged, Class A CAD Hedged, Class A CAD Unhedged, Class A NZD Hedged, Class A NZD Unhedged, Class A SGD Hedged, Class A SGD Unhedged, Class Z USD, Class X RMB. Class X units are offered to funds and managed accounts by the Manager or connected Person of the Manager. All units are subject to daily redemption. The management fees charged to each class of units are disclosed in note 6 (a).

The Manager may in its discretion make distributions to unitholders out of the Sub-Fund at such times as the Manager considers appropriate. However, there is no guarantee of any distribution nor, where distribution is made, the amount being distributed.

In circumstances where the net distributable income of a class is insufficient to pay for any dividend which may be declared, the Manager may, at its discretion, (i) pay dividend out of capital of the Sub-Fund; or (ii) pay dividend out of gross income of the Sub-Fund (that is, income before taking into account any fees or expenses) while charging all or part of the Sub-Fund's fees and expenses to the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and there, the Sub-Fund may effectively out of capital may require the Manager to sell the assets of the Sub-Fund and amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of capital or effectively out of capital of the Sub-Fund (as the case may be) may result in an immediate reduction of the net asset value per unit of the relevant class.

**VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6 NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)**

**Redeemable participating units (Continued)**

The movement of number of units in issue during the period was as follows:

<b>Number of units</b>	<b>As at</b>		<b>Redemption of units</b>	<b>As at</b>	
	<b>1 January 2016</b>	<b>Issue of units</b>		<b>31 December 2016</b>	
Class A RMB (CNH)	13,845,730	286,175	(5,142,099)	8,989,806	
Class A USD Unhedged	1,362,604	180,125	(522,758)	1,019,971	
Class A USD Hedged	2,507,083	1,741,270	(1,524,318)	2,724,035	
Class A HKD Unhedged	2,570,885	388,630	(1,200,284)	1,759,231	
Class A HKD Hedged	11,845,104	6,703,009	(8,297,782)	10,250,331	
Class A GBP Unhedged	39,191	—	(37,285)	1,906	
Class A GBP Hedged	35,416	204,126	(212,638)	26,904	
Class A AUD Unhedged	21,996	11,422	(26,313)	7,105	
Class A AUD Hedged	844,656	791,908	(1,077,200)	559,364	
Class A CAD Hedged	167,879	46,475	(105,670)	108,684	
Class A EUR Unhedged	—	1,210	(813)	397	
Class A EUR Hedged	16,651	2,366	(2,366)	16,651	
Class A NZD Unhedged	11,542	—	—	11,542	
Class A NZD Hedged	124,414	32,490	(67,164)	89,740	
Class X RMB	12,236,224	—	—	12,236,224	

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 6 NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)

#### Redeemable participating units (Continued)

Number of units	As at 16 October 2014 (date of commencement of operations)			As at 31 December 2015
		Issue of units	Redemption of units	
Class A RMB (CNH)	–	21,221,308	(7,353,578)	13,845,730
Class A USD Unhedged	–	4,020,494	(2,657,890)	1,362,604
Class A USD Hedged	–	5,721,886	(3,214,803)	2,507,083
Class A HKD Unhedged	–	4,413,218	(1,842,333)	2,570,885
Class A HKD Hedged	–	28,334,654	(16,489,550)	11,845,104
Class A GBP Unhedged	–	65,613	(26,422)	39,191
Class A GBP Hedged	–	61,524	(26,108)	35,416
Class A AUD Unhedged	–	87,613	(65,617)	21,996
Class A AUD Hedged	–	2,881,257	(2,036,601)	844,656
Class A CAD Hedged	–	254,239	(86,360)	167,879
Class A EUR Hedged	–	101,750	(85,099)	16,651
Class A NZD Unhedged	–	48,684	(37,142)	11,542
Class A NZD Hedged	–	957,581	(833,167)	124,414
Class X RMB	–	15,867,139	(3,630,915)	12,236,224
Class Z USD	–	99,010	(99,010)	–

In accordance with the Explanatory Memorandum, the preliminary expenses incurred in the establishment of the Sub-Fund are borne by the Sub-Fund. Such expenses will be paid out of the assets of the Sub-Fund and amortised over 5 years or as determined by the Manager for the purpose of calculating net asset value for subscription or redemption purposes. However, as stated in Note 2 (i), the accounting policy of the Sub-Fund for the purpose of compliance with IAS 38 "Intangible assets" and for reporting purpose is to charge the expenses incurred in the establishment of the Sub-Fund in the period in which they arose. As at 31 December 2016, the unamortised preliminary expenses of the Sub-Fund were CNH600,001 (2015: CNH800,001).

**VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

**NOTES TO THE FINANCIAL STATEMENTS (Continued)****6 NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (CONTINUED)**

## Redeemable participating units (Continued)

	<b>2016</b>	<b>2015</b>
<b>Net asset value per unit</b>		
Class A RMB (CNH)	CNH12.54	CNH13.24
Class A USD Unhedged	USD11.13	USD12.47
Class A USD Hedged	USD11.62	USD12.60
Class A HKD Unhedged	HKD11.15	HKD12.48
Class A HKD Hedged	HKD11.67	HKD12.73
Class A GBP Unhedged	GBP13.40	GBP12.42
Class A GBP Hedged	GBP11.52	GBP12.25
Class A AUD Unhedged	AUD10.93	AUD12.10
Class A AUD Hedged	AUD11.79	AUD12.68
Class A CAD Hedged	CAD10.92	CAD11.92
Class A EUR Unhedged	EUR11.53	–
Class A EUR Hedged	EUR11.49	EUR12.68
Class A NZD Unhedged	NZD9.96	NZD11.32
Class A NZD Hedged	NZD11.60	NZD12.46
Class X RMB	CNH14.03	CNH14.59

# **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **7 RELATED PARTY TRANSACTIONS**

The following is a summary of significant related party transactions. All such transactions were entered into in the ordinary course of business and on normal commercial terms.

#### **(a) Management fee**

The Manager is entitled to receive a management fee which represents 1.5% per annum, of that portion of the basis of the net asset value attributable to all Class A units and 0.75% per annum of that portion of the net asset value attributable to Class Z units. No management fee is charged on Class X units. The management fee is calculated and accrued daily and payable monthly in arrears.

#### **(b) Performance fee**

The Trust Deed provides that the Manager is entitled to charge a performance fee in respect of any class of units, the maximum amount of which is equal to 15% per annum of the Net Asset Value of the relevant class of units.

Performance fee will be calculated on a high-on-high basis. Performance fee will be accrued on each valuation day throughout the relevant performance period and the performance fee shall become payable if the net asset value per unit of the relevant class of units (prior to the deduction of any provision for any performance fee and any distribution declared or paid in respect of that performance period) as at the last valuation day of the relevant financial year (the "Performance Fee Valuation Day") exceeds the High Water Mark (as defined below), except where units are redeemed or switched part way through a performance period, in which case any accrued performance fee will become payable in the manner described in further detail below.

The "High Water Mark" means the higher of (a) the initial subscription price of the relevant class; and (b) the net asset value per unit of the relevant class as at the Performance Fee Valuation Day of the preceding performance period in respect of which a performance fee was last paid to the Manager (after deduction of all fees including any performance fee and any distribution declared or paid in respect of that preceding performance period). The High Water Mark for a particular class remains the same throughout the relevant performance period, irrespective of the time of subscription, or the subscription price paid, by a particular unitholder.

If any units are redeemed or switched into the units of other SFC authorised unit trusts or mutual funds managed by the Manager and/or its fellow subsidiaries on a dealing day part way through a performance period, the performance fee accrued in respect of those units as at the valuation day relating to such redemption or switching shall be crystallised, set aside and payable to the Manager as soon as practicable after the end of the relevant performance period, irrespective of whether the net asset value per unit of the relevant Class exceeds the High Water Mark on the Performance Fee Valuation Day of the relevant performance period.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 7 RELATED PARTY TRANSACTIONS (CONTINUED)

#### (c) Trustee fee

The Trustee is entitled to receive a trustee fee which represents a variable fee of (i) 0.16% per annum on the first CNH1 billion of the net asset value of the Sub-Fund, and (ii) 0.14% per annum thereafter. The trustee fee is calculated and accrued daily and payable monthly in arrears.

#### (d) Manager's and its related parties' holding in the Sub-Fund

The Manager and its related parties held units of the Sub-Fund as follows:

	As at the beginning of the year	Subscription of units	Redemption of units	As at the end of the year
<b>Year ended 31 December</b>				
<b>2016</b>				
<b>Class A USD Hedged</b>				
Bright Starlight Limited**	–	82,281	–	82,281
<b>Class A AUD Unhedged</b>				
Value Partners Limited*	609	–	(609)	–
<b>Class A EUR Unhedged</b>				
Value Partners Limited*	–	397	–	397
<b>Class A NZD Unhedged</b>				
Value Partners Limited*	690	–	–	690
<b>Class X RMB</b>				
Value Partners Classic Fund***	12,236,224	–	–	12,236,224

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 7 RELATED PARTY TRANSACTIONS (CONTINUED)

#### (d) Manager's and its related parties' holding in the Sub-Fund (Continued)

	As at the beginning of the period	Subscription of units	Redemption of units	As at the end of the period
<b>Period from 16 October 2014 (date of commencement of operations) to 31 December 2015</b>				
<b>Class A HKD Unhedged</b>				
Director A of the ultimate parent company of the Manager	–	69,000	(69,000)	–
<b>Class A HKD Hedged</b>				
Director A of the ultimate parent company of the Manager	–	108,354	(108,354)	–
<b>Class A AUD Unhedged</b>				
Value Partners Limited*	–	1,218	(609)	609
<b>Class A NZD Unhedged</b>				
Value Partners Limited*	–	690	–	690
<b>Class X RMB</b>				
Value Partners Classic Fund***	–	12,236,224	–	12,236,224

\* Value Partners Limited is a wholly-owned subsidiary of the Manager of the Sub-Fund.

\*\* Bright Starlight Limited is indirectly but wholly-owned by a company incorporated in the British Virgin Islands, as trustee for a discretionary trust, the discretionary objects of which include certain members of the family of a director of the Manager's parent company.

\*\*\* Value Partners Classic Fund is a unit trust managed by the Manager.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 7 RELATED PARTY TRANSACTIONS (CONTINUED)

#### (e) Preliminary charges

The Manager is entitled to receive a preliminary charge on issue of units which represents up to 5% of the issue price of all class A and class Z units. For the year ended 31 December 2016 (2015: Nil), no preliminary charge on issue of redeemable participating units was received by the Manager.

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

In addition to the trustee fees of CNH1,195,166 (2015: CNH1,327,112) as disclosed in Note 7(c), the Sub-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.

	2016 CNH	2015 CNH
Interest income	49,495	196,275
Transaction costs	<u>(58,200)</u>	<u>(137,232)</u>

In addition to the trustee fees payable of CNH100,786 (2015: CNH: 120,386) as disclosed in Note 7(c), the Sub-Fund had the following additional balances with the Trustee and its related parties.

	2016 CNH	2015 CNH
Bank balances	49,049,363	45,254,140
Transaction costs payable	<u>(1,200)</u>	<u>(11,700)</u>

## **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## **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 Sub-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**

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.

The Sub-Fund invests in various A shares of companies listed in the PRC through RQFII regime and/or the Stock Connect. Prior to 17 November 2014, a 10% tax was withheld on all PRC sourced dividends and realized capital gains. With effect from 17 November 2014, a 10% tax is only withheld on all PRC sourced dividends.

### **9 DISTRIBUTION TO UNITHOLDERS**

There is no distribution to unitholders for the year ended 31 December 2016.

### **10 SOFT COMMISSION 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 Sub-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.

# **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## **NOTES TO THE FINANCIAL STATEMENTS (Continued)**

### **10 SOFT COMMISSION ARRANGEMENTS (CONTINUED)**

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 judgemental 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.

### **11 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved by the Trustee and the Manager on 25 April 2017.

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## INVESTMENT PORTFOLIO (UNAUDITED)

AS AT 31 DECEMBER 2016

	Holdings	Fair value CNH	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
<b>Listed Equity Securities</b>			
<i>China</i>			
Beijing Capital Development Co Ltd A Shrs	1,800,000	21,258,000	2.80
Beijing SL Pharmaceutical Co Ltd A Shrs	1,006,982	26,896,489	3.54
China Fortune Land Development A Shrs	601,200	14,368,680	1.89
China International Travel Service Corp Ltd A Shrs	301,300	13,076,420	1.72
China Merchants Securities Co Ltd A Shrs	1,554,238	25,380,707	3.34
China Pacific Insurance (Group) Co Ltd A Shrs	631,850	17,546,474	2.31
China Resources Sanjiu Medical & Pharmaceutical Co Ltd A Shrs	683,300	16,898,009	2.23
China Yangtze Power Co Ltd A Shrs	1,483,200	18,777,312	2.47
Ciwen Media Co Ltd	476,890	21,541,121	2.84
Dhc Software Co Ltd A Shrs	998,372	23,262,068	3.07
Dong-E E-Jiao Co Ltd A Shrs	646,000	34,800,020	4.59
Fuyao Group Glass Industry Co Ltd A Shrs	1,564,700	29,150,361	3.84
GoerTek Inc A Shrs	1,810,200	48,006,504	6.33
Gree Electric Appliances Inc of Zhuhai A Shrs	1,037,478	25,542,708	3.37
Hangzhou Hikvision Digital Technology Co Ltd A Shrs	1,450,450	34,535,214	4.55
Huadong Medicine Co Ltd A Shrs	178,000	12,828,460	1.69
Inner Mongolia Yili Industrial Group Co Ltd A Shrs	1,295,300	22,797,280	3.00
Jangho Group Co Ltd A	2,999,937	31,949,329	4.21
Jiangsu Hengrui Medicine Co Ltd A Shrs	553,320	25,176,060	3.32
Kweichow Moutai Co Ltd A Shrs	159,300	53,230,095	7.01
NARI Technology Co Ltd A Shrs	1,387,547	23,074,907	3.04
New China Life Insurance Co Ltd A Shrs	306,818	13,432,492	1.77
Ningbo Joyson Electronics Corp A Shrs	212,000	7,015,080	0.92
Ping An Insurance (Group) Co of China Ltd A Shrs	973,602	34,494,719	4.55
Taslly Pharmaceutical Group Co A Shrs	528,560	21,929,954	2.89
Vatti Corp Ltd A Shrs	1,523,260	39,528,597	5.21
Wuliangye Yibin Co Ltd A Shrs	582,100	20,070,808	2.64
ZTE Corp A Shrs	1,407,900	22,456,005	2.96
		699,023,873	92.10

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## **INVESTMENT PORTFOLIO (UNAUDITED) (Continued)**

AS AT 31 DECEMBER 2016

	Holdings	Fair value CNH	% of net assets
<b>FINANCIAL ASSETS AT FAIR VALUE</b>			
THROUGH PROFIT OR LOSS (Continued)			
<b>Quoted Debt Securities</b>			
Shanghai Baosteel Group Corporation (REG) Conv 1.5% 12/10/2017	7,701,000	8,731,426	1.15
Shanghai Electric Group Co Ltd. (REG) Conv STP 02/02/2021	426,000	488,516	0.06
		9,219,942	1.21
<b>Currency Forwards</b>		2,588,377	0.34
<b>Total financial assets at fair value through profit or loss</b>		710,832,192	93.65
<b>FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			
<b>Currency Forwards</b>		(7,340)	(0.00)
<b>Total financial liabilities at fair value through profit or loss</b>		(7,340)	(0.00)
<b>Total investments, net</b>		710,824,852	93.65
<b>Total investments, at cost (inclusive of transaction cost)</b>		<u>631,859,435</u>	

\* The trading of the equity securities has been suspended.

## **VALUE PARTNERS CHINA A-SHARE SELECT FUND**

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## **INVESTMENT PORTFOLIO MOVEMENTS (UNAUDITED)**

*FOR THE YEAR ENDED 31 DECEMBER 2016*

	<b>% of net assets 2016</b>
<b>Listed equity securities</b>	
China	92.10
	92.10
<b>Quoted debt securities</b>	1.21
<b>Currency forwards</b>	0.34
<b>Total investments, net</b>	<b>93.65</b>

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series

(A Hong Kong umbrella unit trust)

## PERFORMANCE RECORD (UNAUDITED)

### Net assets (at last traded price)

	2016	2015
Net assets	CNH759,025,631	CNH916,329,859
Net asset value per unit		
Class A RMB (CNH)	CNH12.54	CNH13.24
Class A USD Unhedged	USD11.13	USD12.47
Class A USD Hedged	USD11.62	USD12.60
Class A HKD Unhedged	HKD11.15	HKD12.48
Class A HKD Hedged	HKD11.67	HKD12.73
Class A GBP Unhedged	GBP13.40	GBP12.42
Class A GBP Hedged	GBP11.52	GBP12.25
Class A AUD Unhedged	AUD10.93	AUD12.10
Class A AUD Hedged	AUD11.79	AUD12.68
Class A CAD Hedged	CAD10.92	CAD11.92
Class A EUR Unhedged	EUR11.53	–
Class A EUR Hedged	EUR11.49	EUR12.68
Class A NZD Unhedged	NZD9.96	NZD11.32
Class A NZD Hedged	NZD11.60	NZD12.46
Class X RMB	CNH14.03	CNH14.59

# VALUE PARTNERS CHINA A-SHARE SELECT FUND

A Sub-Fund of Value Partners Fund Series  
(A Hong Kong umbrella unit trust)

## PERFORMANCE RECORD (UNAUDITED) (Continued)

### Performance record since inception

Highest issue price per unit								
	Class A							
	RMB (CNH)	USD Unhedged	USD Hedged	HKD Unhedged	HKD Hedged	GBP Unhedged	GBP Hedged	AUD Unhedged
2016	CNH13.37	USD12.01	USD12.42	HKD12.03	HKD12.48	GBP14.21	GBP12.32	AUD11.64
	CNH16.03	USD15.69	USD15.47	HKD15.72	HKD15.55	GBP13.41	GBP15.04	AUD14.70
Highest issue price per unit								
	Class A						Class X	Class Z
	AUD Hedged	CAD Hedged	EUR Unhedged	EUR Hedged	NZD Unhedged	NZD Hedged	RMB	USD
2016	AUD12.59	CAD11.69	EUR12.27	EUR12.31	NZD10.87	NZD12.39	CNH14.97	-
	AUD15.54	CAD14.63	-	EUR14.49	NZD13.62	NZD15.14	CNH17.35	USD13.50
Lowest redemption price per unit								
	Class A							
	RMB (CNH)	USD Unhedged	USD Hedged	HKD Unhedged	HKD Hedged	GBP Unhedged	GBP Hedged	AUD Unhedged
2016	CNH10.41	USD9.74	USD9.86	HKD9.80	HKD9.94	GBP10.09	GBP9.57	AUD9.76
	CNH10.80	USD11.01	USD10.37	HKD10.26	HKD10.45	GBP11.09	GBP10.13	AUD10.42
Lowest redemption price per unit								
	Class A						Class X	Class Z
	AUD Hedged	CAD Hedged	EUR Unhedged	EUR Hedged	NZD Unhedged	NZD Hedged	CNH	USD
2016	AUD9.92	CAD9.33	EUR10.00	EUR9.90	NZD9.38	NZD9.75	CNH11.48	-
	AUD10.46	CAD10.30	-	EUR11.54	NZD10.00	NZD10.69	CNH12.70	USD10.48