

#### Important Information

- I. Value Partners Health Care Fund (the "Fund") primarily invests in equities and equity-related securities in healthcare companies on a worldwide basis.
- II. The investments of the Fund are concentrated in the health care sector which are subject to greater influences from government policies and regulations than those of other industries. The value of the Fund may be more volatile than that of a fund having a more diverse portfolio of investments.
- III. Investing in PRC market exposes the Fund to additional risks including currency repatriation risk, uncertainty of taxation policies and risk associated with Stock Connects. The Fund may also expose to RMB currency and conversion risk.
- IV. Investing in small/mid-capitalization securities may have lower liquidity and their prices are more volatile to adverse economic developments.
- V. The Fund may also invest in derivatives and debt securities that are below investment grade or unrated which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- VI. You should not make investment decision on the basis of this marketing material alone. Please read the prospectus for details and risk factors.

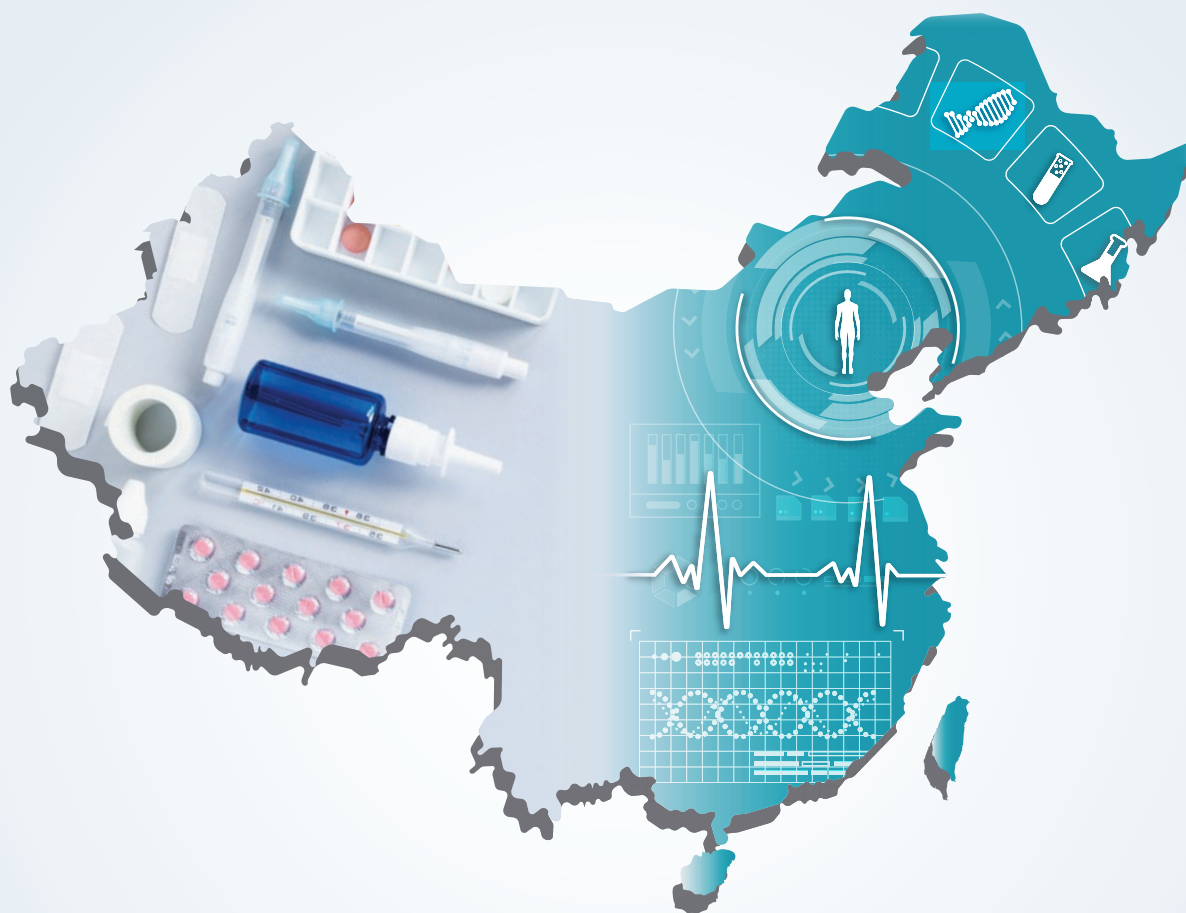


Q4 2020 Fund leaflet

UCITS-compliant fund<sup>^</sup>

## Value Partners Health Care Fund<sup>^</sup>

### Finger on the pulse of China's healthcare growth



- ▲ **Capturing China's rising stars –**  
Sectors that are best positioned for China's paradigm shift in demographics and demand
- ▲ **Consistently outperforms peers in the past 5 years** and ranks in the **first quartile<sup>1</sup>** across various periods
- ▲ **Less sensitive to a broad market and economic cycles,**  
the fund is less volatile than China and Hong Kong equities since its inception<sup>2</sup>

<sup>^</sup>Value Partners Health Care Fund is a sub-fund of Value Partners Ireland Fund ICAV (the "Company"). The Company is both authorized and supervised by the Central Bank of Ireland ("Central Bank") as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011. Authorization of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company. The authorization of the Company is not an endorsement or guarantee of the Company by the Central Bank.

1. Source: Morningstar. Peer Group refers to Morningstar Category of EAA OE Sector Equity Healthcare which includes all funds with performance history started between 3 April 2015 and 30 September 2020. The Fund ranks in the first quartile over 6-month, 1-year, 3-year periods and since launch. 2. As at 30 September 2020, 3-year volatility of the Fund (Class A USD Unhedged) is 16.7% vs 26.6% of MSCI China All Shares Health Care 10/40 index and 22.2% of CSI300 index.

## Investment objective and strategy

The Fund aims to achieve long-term capital growth by investing primarily in equities and equity-related securities in healthcare companies including pharmaceuticals, biotechnology, healthcare services and medical technology and supplies on a worldwide basis.

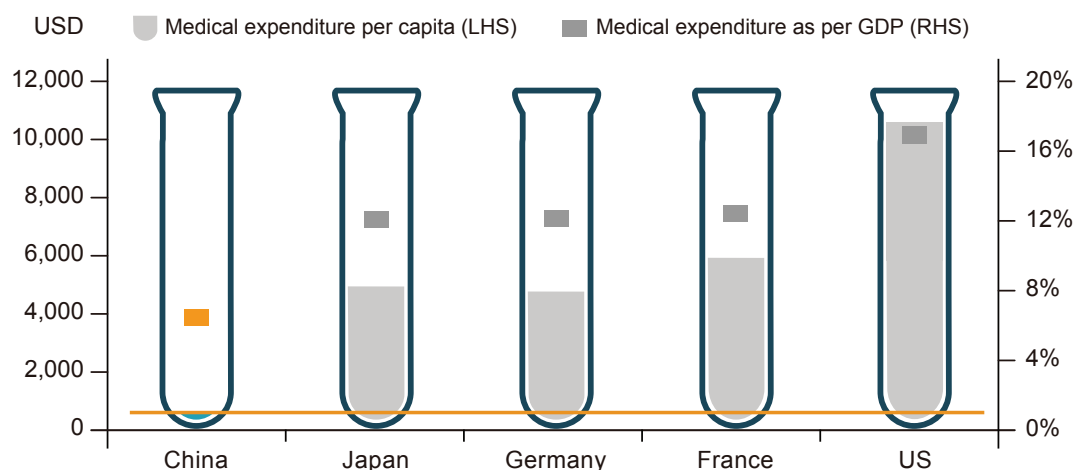
The Fund intends to invest primarily in companies which derive a significant part of their revenue from the PRC and which are listed on stock markets on a worldwide basis, including mainland China.

## Why Value Partners Health Care Fund?

### China catch up play

- Aging in China is accelerating, with the over 65s reaching 170 million by 2020 and taking up 12% of the total population. By 2050, China's senior citizens will exceed that of the U.S., Japan, and Europe<sup>3</sup>
- China lags behind the developed countries in medical spending per capita, implying immense expansion room for the medical-related sectors

**China's health expenditure per capita is only 5% of that in the U.S.**



Sources: National Health Commission, IMF, OECD, statistics bureau from the respective country, medical expenditure as of 31 December 2019

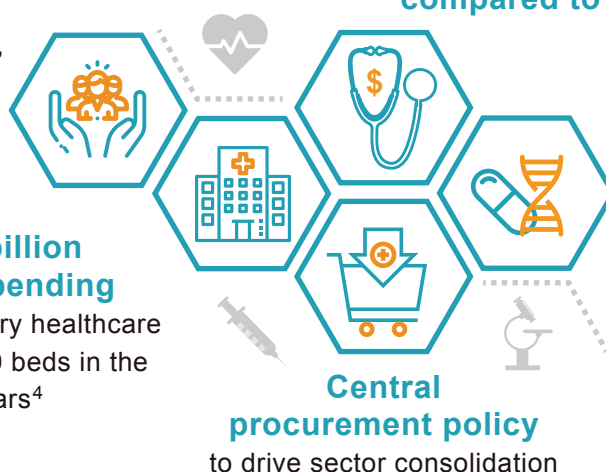
### Favorable policy and reform

**Over 1.35 billion** Chinese nationals joined the medical insurance scheme as of 2018, **up 35%** since 2007<sup>4</sup>

Per capita government subsidy has been increasing, **26 times compared to 2003**<sup>4</sup>

**+ USD 14.5 billion** government spending to strengthen its primary healthcare system, e.g., +73,000 beds in the next few years<sup>4</sup>

Favorable policies to support **innovative drugs and the biotech industry**



3. Source: Population Pyramid, Statistics Bureau of various countries, as of October 2019. 4. Source: National Bureau of Statistics of China, as of November 2018.

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## Resilience and growth opportunities

- Amid the rise of COVID-19, the healthcare sector has shown resilience. Drug sales quickly rebounded into growth territory after a decline in March
- Healthcare companies are estimated to reach an earnings per share growth of 27% and 19% in 2020 and 2021, respectively, compared to that of the broader index
- Substantial growth opportunities exist in the healthcare sector, while valuation of individual companies remains reasonable

### The healthcare sector is estimated to outrun the broader index in terms of EPS growth

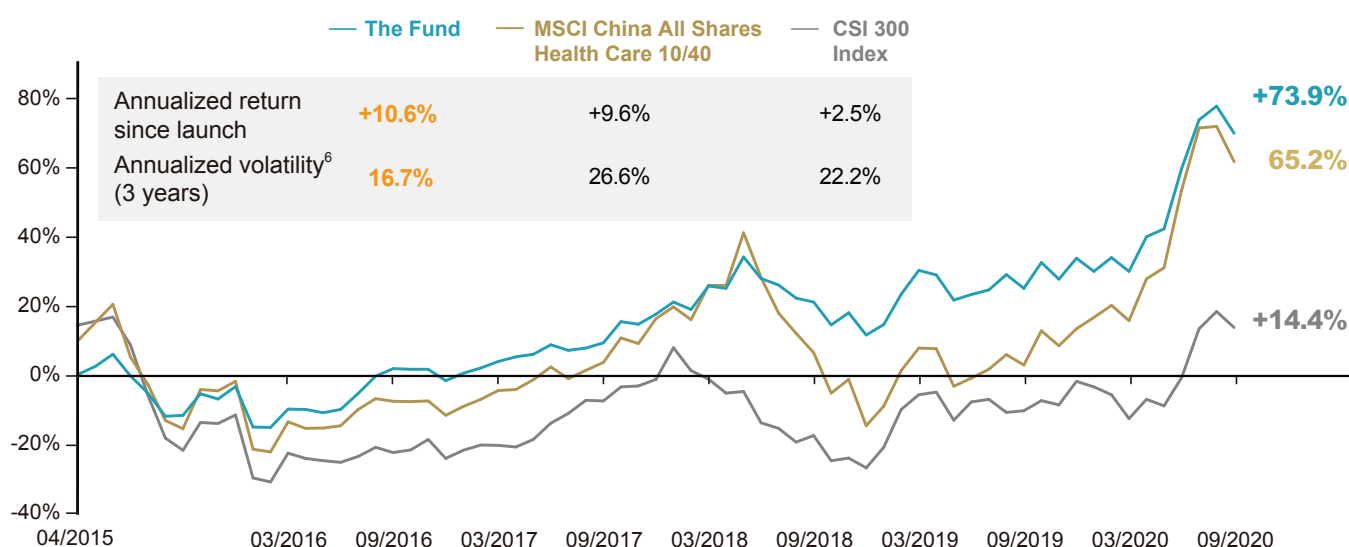
	2020E	2021E
MSCI China Index	1.7%	16.8%
Healthcare sector	27.0%	19.1%
Healthcare equipment	12.3%	15.1%
Pharmaceutical, Biotech and Life Science	36.0%	21.1%

Source: CICC, as of 28 September 2020

## Relatively low volatility and correlation to the major Chinese equity index

- The Fund's annualized return since launch is **+10.6%**<sup>5</sup>, outperforming the MSCI China All Shares Health Care 10/40 Index and the CSI 300 Index with lower volatility over the same period (+9.6% and +2.5%, respectively)
- Presence in Shanghai and Hong Kong enables us to conduct in-depth equity research, closely monitor industry developments, and maintain a robust network of medical experts

### The Fund has outperformed market indices since launch



5. Value Partners Health Care Fund("the Fund") (Class A USD Unhedged) was launched on 2 April 2015. Calendar year return of A Units in the past five years: 2015:-3.7%; 2016:+1.9%; 2017:+20.8%; 2018:-5.4%; 2019:+21%. 6. Volatility is a measure of the theoretical risk in terms of standard deviation, based on monthly return over the past 3 years.

All fund information is quoted as at 30 September 2020 (unless otherwise stated). Source: HSBC Securities Services (Ireland) DAC and Bloomberg. Performance in USD, NAV to NAV, with dividends reinvested and net of all fees. All indices are for reference only.

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Value of investment in the Fund can go down as well as up and return upon such investment will therefore necessarily be variable. Neither past experience nor the current situation are necessarily accurate guides to the future. Past performance may not be a reliable guide to future performance. Changes in exchange rates may have an adverse effect on the value price or income of the Fund. Investors should also be aware that the Fund may be subject to sudden and large falls in value, in which case investors could lose the total value of their initial investment.

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 prospectus for details and risk factors. This material has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Hong Kong Limited.

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