

Value Partners Classic Fund

NAV per unit : Class A USD - USD362.68 | Class B USD - USD159.37 | Class C USD - USD19.94
Fund size : USD1,115.5 million

★★★★
Morningstar Rating™
As at 30-04-2022

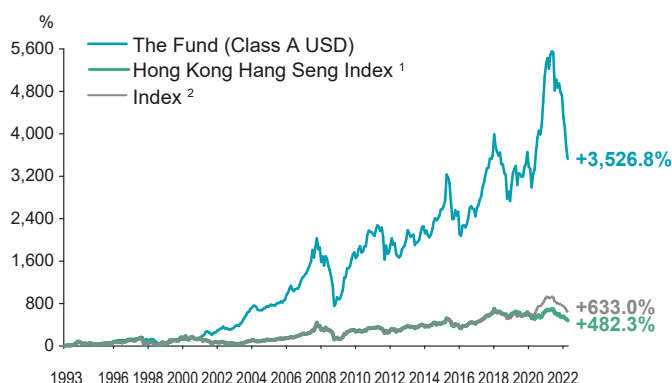
April 2022

- Value Partners Classic Fund (The "Fund") primarily invests in markets of the Asia-Pacific region, with a Greater China focus.
- The Fund invests in China-related companies and emerging markets which involve certain risks not typically associated with investment in more developed markets, such as greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund is also subject to concentration risk due to its concentration in Asia-Pacific region, particularly China-related companies. 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 may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- In respect of the distribution units for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units.
- 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

The Fund aims to achieve consistent superior returns through an investment discipline that places emphasis on the fundamental value of potential investments, which the Manager believes are being traded at deep discounts to their intrinsic values. The Fund will concentrate on investing in the markets of the Asia Pacific region (particularly in Greater China region) but without fixed geographical, sectoral or industry weightings.

Performance since launch



Performance update

	Class A USD	Class B USD	Class C USD	Hang Seng Index 1	Index 2
Year-to-date	-24.8%	-24.9%	-24.9%	-10.1%	-15.9%
One month	-5.4%	-5.4%	-5.4%	-4.3%	-6.0%
One year	-35.2%	-35.5%	-35.6%	-25.5%	-28.2%
Three years	+3.9%	+2.6%	+2.3%	-22.1%	+2.3%
Five years	+23.9%	+21.1%	+20.0%	+0.1%	+26.1%
Total return since launch	+3,526.8%	+1,493.7%	+99.4%	+482.3%	+633.0%
Annualized return since launch [^]	+13.1%	+11.2%	+5.6%	+6.2%	+7.1%

NAVs & codes

Classes ³	NAV	ISIN	Bloomberg
Class A USD	362.68	HK0000264868	VLPARAI HK
Class B USD	159.37	HK0000264876	VLPARBI HK
Class C USD	19.94	HK0000264884	VLPARCI HK
Class C HKD ⁴	156.4742	HK0000264884	VLPARCI HK
Class C RMB	13.61	HK0000264926	VLCHCRM HK
Class C AUD Hedged	15.12	HK0000264892	VLCHAUD HK
Class C CAD Hedged	15.25	HK0000264900	VLCHCAD HK
Class C HKD Hedged	13.22	HK0000264934	VLCHCHH HK
Class C NZD Hedged	15.77	HK0000264918	VLCHNZD HK
Class C RMB Hedged	14.14	HK0000264942	VLCHCRH HK
Class C USD MDis	8.48	HK0000360880	VLCCMDU HK
Class C HKD MDis	8.50	HK0000360898	VLCCMDH HK
Class C RMB MDis	8.13	HK0000362241	VLCCMDR HK
Class C RMB Hedged MDis	8.31	HK0000362258	VLCCMRH HK

Dividend information – Class C MDis⁵

Classes ³	Dividend per unit ⁶	Annualized yield ⁷	Ex-dividend date
Class C USD MDis	0.0196	2.8%	29-4-2022
Class C HKD MDis	0.0194	2.7%	29-4-2022
Class C RMB MDis	0.0197	2.9%	29-4-2022
Class C RMB Hedged MDis	0.0391	5.6%	29-4-2022

The Fund – Class A USD: Monthly performance from 1 Jan 2013 to 29 Apr 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2013	+7.9%	-2.5%	-2.9%	+0.6%	+1.2%	-9.0%	+2.3%	+0.5%	+2.2%	+6.2%	+4.8%	+0.4%	+11.2%
2014	-5.5%	+2.3%	-4.0%	-1.6%	+2.0%	+4.6%	+6.2%	+3.0%	-1.5%	+1.6%	+1.9%	+4.6%	+13.5%
2015	+0.3%	+2.4%	+3.7%	+17.1%	-1.5%	-3.5%	-11.0%	-11.6%	+0.2%	+6.5%	-3.8%	+2.9%	-1.5%
2016	-15.9%	-1.5%	+8.7%	+0.2%	-1.4%	+2.4%	+5.0%	+7.4%	+1.4%	-1.8%	-0.2%	-5.0%	-3.2%
2017	+6.1%	+1.9%	+3.7%	+2.6%	+5.7%	+3.0%	+4.5%	+3.5%	+0.3%	+4.9%	-0.1%	+1.8%	+44.9%
2018	+10.8%	-5.7%	-2.5%	-1.8%	+1.5%	-5.8%	-0.2%	-4.4%	-1.1%	-13.7%	+4.8%	-5.8%	-23.1%
2019	+10.6%	+7.2%	+2.4%	+1.5%	-10.3%	+7.1%	-0.5%	-1.5%	+0.3%	+5.5%	+1.4%	+6.4%	+32.4%
2020	-7.3%	-1.3%	-10.0%	+8.2%	+2.4%	+9.9%	+6.9%	+3.4%	-1.7%	+4.4%	+10.2%	+9.7%	+37.6%
2021	+4.9%	+2.1%	-3.7%	+5.1%	+1.0%	-0.3%	-12.7%	+4.1%	-3.0%	+1.6%	-3.2%	-1.3%	-6.6%
2022 (YTD)	-8.3%	-4.9%	-8.9%	-5.4%									-24.8%

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

Top holdings

Name	Industry ⁸	% ⁹
Taiwan Semiconductor Manufacturing Co Ltd	Semiconductors & semiconductor equipment	9.4
Meituan	Retailing	7.0
Kweichow Moutai Co Ltd	Food, beverage & tobacco	6.8
China Merchants Bank Co Ltd	Banks	5.7
AIA Group Ltd	Insurance	4.8
NetEase Inc	Media & entertainment	4.7
China Mobile Ltd	Telecom services	3.7
East Money Information Co Ltd	Diversified financials	3.7
Chervon Holdings Ltd	Consumer durables & apparel	3.6
SIIC Environment Holdings Ltd	Utilities	3.1

These securities constitute 53%⁹ of the Fund.

Portfolio characteristics

As at 29 Apr 2022¹⁰

Price/earnings ratio	10.5 times
Price/book ratio	1.5 times
Portfolio yield	3.3%

	Class A USD	Class B USD	Class C USD	Hang Seng Index ¹	Index ²
Annualized volatility (3 years) ¹¹	21.2%	21.2%	21.2%	17.6%	18.5%

Geographical exposure by listing⁹

Hong Kong	42%
China A-shares	18%
Taiwan	16%
H-shares	11%
Red Chips	11%
United States	2%

Sector exposure^{8,9}

Information technology	24%
Consumer discretionary	20%
Communication services	14%
Consumer staples	11%
Banks	7%
Health care	5%
Insurance	5%
Other financials	4%
Real estate	4%
Industrials	3%
Utilities	3%

Fund facts

Manager:	Value Partners Hong Kong Limited
Base currency:	USD
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Custodian:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	Class A USD - 1 Apr 1993 Class B USD - 15 May 1996 Class C USD - 15 Oct 2009 Class C AUD/CAD/NZD Hedged - 17 Mar 2014 Class C RMB Hedged - 28 Oct 2015 Class C HKD Hedged - 30 Nov 2015 Class C RMB - 1 Dec 2015 Class C USD MDis - 16 Oct 2017 Class C HKD MDis - 16 Oct 2017 Class C RMB MDis - 16 Oct 2017 Class C RMB Hedged MDis - 16 Oct 2017 Class C MDis – aim at monthly distribution, subject to Manager's discretion
Dividend Policy ⁵ :	

Class A, B and C are invested in the same fund, Class A and B were no longer issued from 12 Apr 2002 and 15 Oct 2009 respectively. Only Class C is currently available.

Fee structure

	Class A	Class B	Class C
Minimum subscription	Closed	Closed	USD10,000 or equivalent
Minimum subsequent subscription	Nil	Nil	USD5,000 or equivalent
Subscription fee	Closed	Closed	up to 5%
Management fee	0.75% p.a.	1.25% p.a.	1.25% p.a.
Performance fee ¹²	15% of profit (High-on-high principle)		
Redemption fee	Nil		
Dealing day	Daily redemption	Daily redemption	Daily dealing

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

Investment Directors: Chung Man Wing; Yu Chen Jun; Michelle Yu, CFA

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Key fund and corporate awards



Golden Bull Overseas China Equity Fund (1-Year)¹³
~ China Securities Journal, The Overseas Fund Golden Bull Fund Awards 2020 & 2021

Asia ex-Japan Equity House: Best-in-Class¹⁴
Greater China Equity House: Outstanding Achiever¹⁴
~ Benchmark Fund of the Year Awards 2018, Hong Kong

Offshore China Equity (10-year)¹⁵
~ Insight & Mandate, Professional Investment Awards 2018

Scan QR code¹⁶:



Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fiis@vp.com.hk.

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Investors should note investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. Information in this report has been obtained from sources believed to be reliable but Value Partners Hong Kong Limited does not guarantee the accuracy or completeness of the information provided by third parties. Investors should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.

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