

Important Information

- I. Value Partners Classic Fund (The "Fund") primarily invests in markets of the Asia-Pacific region, with a Greater China focus.
- II. 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.
- III. 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.
- IV. 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.
- V. 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.
- VI. You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Q4 2024



★★★★★  **Bronze**
Morningstar Rating™

Monthly distribution
share classes available

Value Partners Classic Fund

Over 30 years of excellence in Greater China investing



Ranked No.1 in the
Greater China equity fund category² (A Units)

Unlocking **long-term and hidden investment opportunities**
through a proven and unique investment approach

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Investment objective and strategy

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.



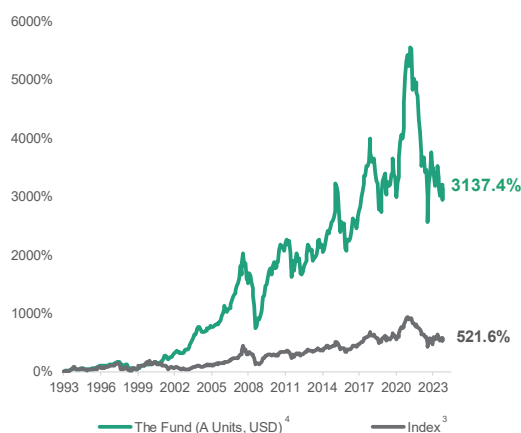
Why invest in Value Partners Classic Fund?

A renowned
Greater China
expert

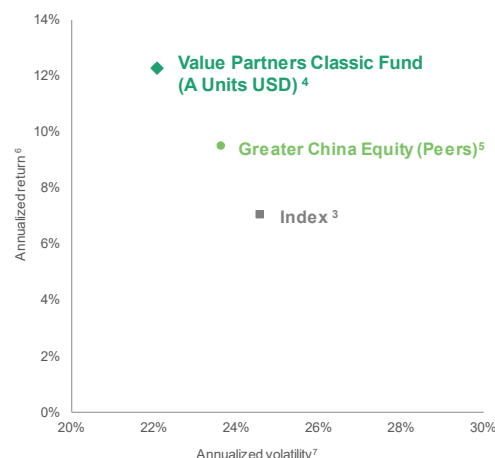
- The Fund aims to generate excess returns throughout different market cycles and has consistently outperformed peers²
- An award-winning investment team of over 50 financial specialists covering a wide range of sectors and markets, with a combined average industry experience of 23 years
- Taps into undiscovered opportunities with a deep-dive investment research analysis combined with over 6,500 meetings annually

	The Fund ⁴ (A Units, USD)	Index ³
Annualized return since launch ⁶	+12.25%	+7.04%

Providing a more attractive yield than the market



Provides better returns with lower volatility compared to peers (1 April 1993 to 30 Sep 2024)



Undemanding
valuations
for long-term
investors

- China's equities market will likely be supported by the government's pro-growth, counter cyclical measures to boost the economy

The fund has had outstanding performance since its launch in 1993



Source: Bloomberg, data as of 30 Sep 2024.

3. Index refers to Hang Seng Index (Price Return) since fund inception till 31 Dec 2004, thereafter it is the Hang Seng Index (Total Return) up to 30 Sep 2017. Hang Seng Index (Total Return) includes dividend reinvestment whereas Hang Seng Index (Price Return) does not take into account reinvestment of dividends. With effect from 1 Oct 2017, it is the MSCI Golden Dragon Index (Total Net Return), which takes into account of dividend reinvestment after deduction of withholding tax. 4. The Fund (A Units) was launched on 1 April 1993. Calendar year return of A Units over past 5 years: 2019: 32.4%; 2020: 37.6%; 2021: -6.6%; 2022: -28.1%; 2023: -5.0%; 2024 (YTD): +15.4%. The Fund (C Units) was launched on 15 October 2009. Calendar return of the C Units over past 5 years: 2019: 31.9%; 2020: 36.8%; 2021: -7.2%; 2022: -28.4%; 2023: -5.5%; 2024 (YTD): +15.0%. Investors should note that figures for A Units shown above may differ from those of classes currently available for subscription (C Units), due to differences in launch date of these classes. For C Units, the since launch return is +106.7%. The Manager does not accept any application for A Units until further notice. New investors and existing unitholders who wish to top up may subscribe in C Units. 5. Category Average includes all funds with performance history started before 1 Apr 1993 in the category of Greater China Equity (offshore domiciled open-end funds). All funds in the Hong Kong Equity and China Equity categories (offshore domiciled open-end funds) with performance history started before April 1993 are shown as reference only. 6. Annualized return is calculated from inception based on published NAV. 7. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

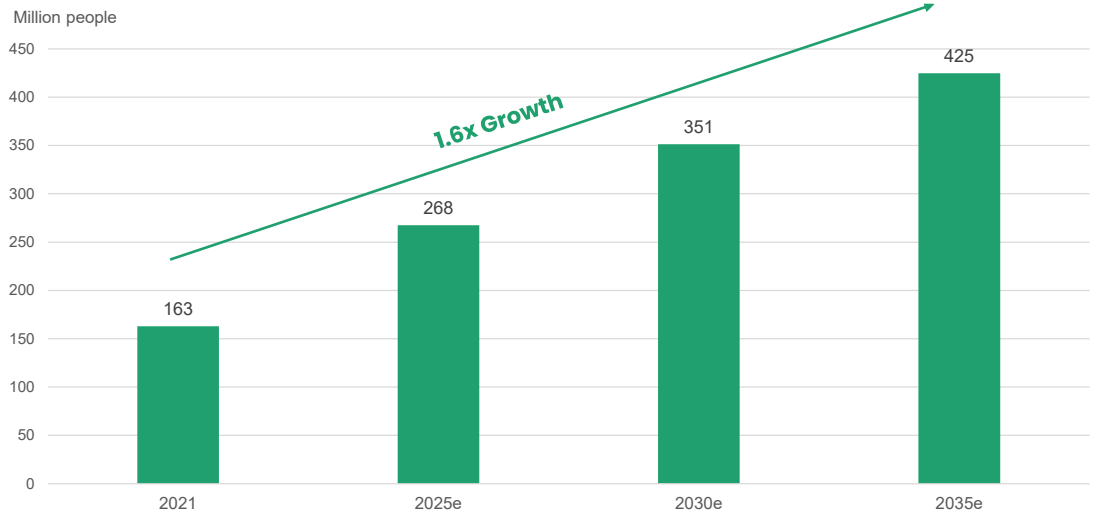


Key investment themes of the Fund

Consumption growth

- Consumption growth is likely to speed up with the economic recovery gathering momentum
- The rising middle-class population, increasing household income, and urbanization remain long-term growth drivers
- China's middle-income population is expected to more than double by 2035, which is also more than the total population of the US

The number of Chinese adults with above USD250k wealth (million people)

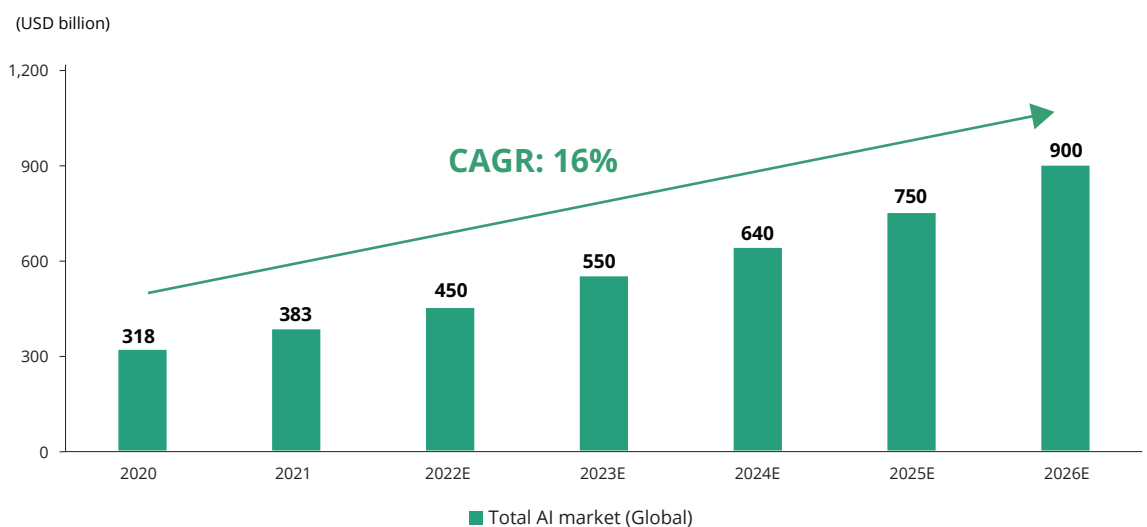


Source: UNU-WIDER, World Income Inequality Database, World Bank, IMF, United Nations Population Division, HSBC Global Research, 2023

Technology leadership

- The demand for data centers and high-performance computing remains solid
- The accelerated investments into artificial intelligence (AI) are also new drivers, unlocking a new market that could reach USD900bn in 2026
- These support the growing demand for the leading technology players

The AI market is expected to grow rapidly (USD billion)

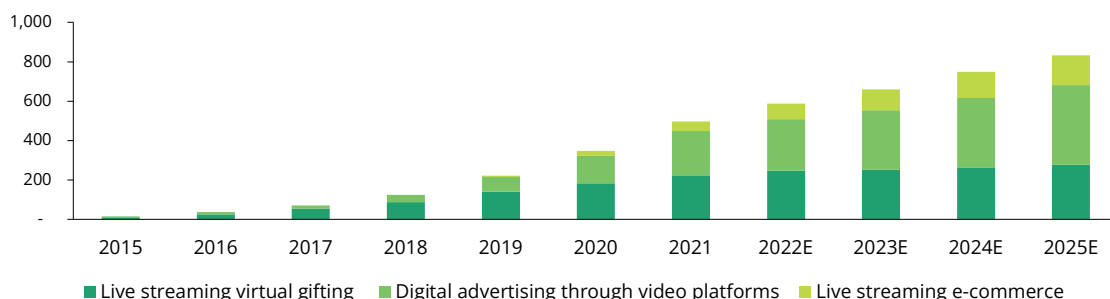


Source: BOFA Research, PwC, 2023

Internet services

- Internet platforms are seeing a profit rebound on both cost optimization and business recovery, while the regulatory stance has turned to be supportive
- There are still plentiful growth opportunities in the internet space, such as in local services and short-form videos

Market scale of the short-form videos in China (RMB billion)

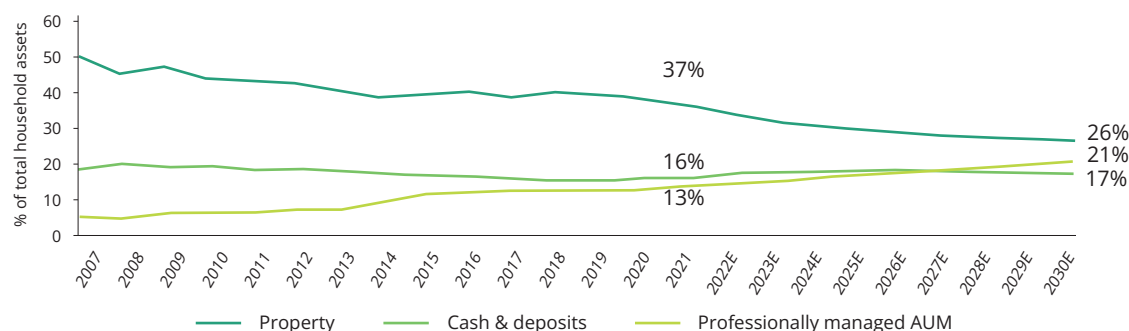


Source: iResearch, Macquarie Research, 2023

Financials – wealth management

- Wealth management service providers should benefit from retail investors' growing demand for professionally managed investment services, presenting long-term investment opportunities
- The muted performance of the property market will encourage investors to diversify from property investment to financial assets over the long term
- Some leading retail banks, digital platforms, and insurance companies are well-positioned to capture this trend and grow their scale over time

Meanwhile, more assets are being reallocated from property towards financial products



Source: AMAC, CBIRC, CLSA, China Trustee Association, PBOC, WIND, 2023



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[^] Fund information refers to Value Partners' funds authorized by the Securities and Futures Commission of Hong Kong. Authorization does not imply official recommendation.

Source: HSBC Institutional Trust Services (Asia) Limited, Morningstar and Bloomberg, in USD, NAV to NAV, with dividends reinvested. Fund performance is net of all fees. All indices are for reference only.

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