

# Value Partners High-Dividend Stocks Fund

NAV per unit: Class A1 USD - USD117.29 | Class A2 MDIs USD - USD12.88

Fund size : USD1,940.3 million

**Value Partners**  
Investing through discipline

★★★★  
Morningstar Rating™  
As at 30-06-2021

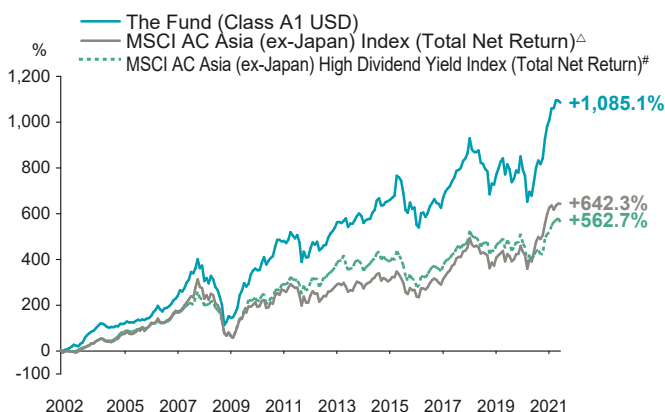
June 2021

- Value Partners High-Dividend Stocks Fund (The "Fund") primarily invests in higher yielding equity and debt securities in the Asian region.
- The Fund may invest in higher-yielding equity and debt securities that are below investment grade. Such investments can involve greater risks due to the speculative nature.
- The Fund may invest in China and other markets of the Asian region, therefore is subject to emerging market risks. Generally, investments in emerging markets are more volatile than investments in developed markets due to additional risks relating to political, social, economic and regulatory uncertainty. 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 provide capital appreciation to unitholders by investing primarily in a portfolio of relatively higher yielding equity and debt securities in Asian region.

## Performance since launch



## Performance update

	Class A1 USD	Class A2 MDIs USD	Class A Acc RMB	MSCI AC Asia (ex-Japan) Index (Total Net Return) <sup>Δ</sup>	MSCI AC Asia (ex-Japan) High Dividend Yield Index (Total Net Return) <sup>#</sup>
Year-to-date	+9.6%	+9.6%	+9.7%	+6.4%	+8.4%
One month	-0.8%	-0.7%	+0.8%	-0.1%	-2.5%
One year	+41.7%	+41.7%	+32.1%	+39.6%	+28.2%
Three years	+28.5%	+28.6%	+25.8%	+41.3%	+19.8%
Five years	+68.7%	+67.1%	+63.7%	+96.8%	+52.4%
Total return since launch	+1,085.1%	+96.2%	+87.1%	+642.3%	+562.7%
Annualized return since launch <sup>Λ</sup>	+14.0%	+8.0%	+9.0%	+11.2%	+10.6%

## The Fund – Class A1 USD: Monthly performance from 1 Jan 2012 to 30 Jun 2021

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2012	+7.5%	+4.7%	-1.7%	+2.2%	-6.5%	+1.5%	+2.4%	+0.4%	+5.5%	+3.1%	+1.7%	+2.4%	+25.2%
2013	+3.7%	+0.4%	-0.8%	+1.5%	+1.7%	-5.6%	+2.3%	-0.1%	+2.5%	+2.7%	+1.6%	-1.5%	+8.1%
2014	-4.4%	+1.8%	+0.7%	+0.2%	+3.8%	+1.8%	+5.9%	+1.2%	-4.1%	+0.3%	+1.8%	+0.6%	+9.4%
2015	+0.8%	+1.2%	+1.1%	+11.2%	-0.7%	-1.8%	-6.4%	-9.5%	-1.6%	+6.4%	-3.8%	+0.9%	-3.7%
2016	-10.5%	-1.7%	+9.7%	+0.4%	-2.7%	+2.6%	+4.1%	+2.0%	+2.3%	-2.2%	-0.6%	-2.3%	-0.2%
2017	+6.3%	+3.2%	+1.7%	+1.1%	+2.8%	+1.9%	+3.5%	+0.4%	+1.0%	+3.3%	+1.2%	+2.4%	+32.9%
2018	+6.8%	-4.8%	-1.1%	-0.0%	+0.8%	-5.5%	-0.5%	-2.4%	-1.2%	-11.3%	+6.0%	-0.5%	-14.2%
2019	+5.3%	+3.1%	+3.3%	+1.6%	-7.5%	+5.1%	-2.4%	-6.3%	+1.8%	+4.2%	-1.0%	+8.0%	+14.9%
2020	-6.1%	-3.0%	-13.1%	+5.8%	-2.1%	+7.5%	+7.7%	+3.5%	-1.7%	+2.7%	+9.0%	+5.5%	+13.9%
2021 (YTD)	+2.6%	+4.5%	+0.1%	+3.0%	-0.1%	-0.8%							+9.6%

<sup>Δ</sup> MSCI AC Asia Pacific (ex-Japan) Index (Total Net Return) was used up to 30 Apr 2016, thereafter it is the MSCI AC Asia (ex-Japan) Index (Total Net Return) due to a change in investment profile. MSCI (Total Net Return) Indices takes into account of dividend reinvestment after deduction of withholding tax.

<sup>#</sup> MSCI AC Asia Pacific (ex-Japan) High Dividend Yield Index (Total Net Return) was used up to 30 Apr 2016, thereafter it is the MSCI AC Asia (ex-Japan) High Dividend Yield Index (Total Net Return) due to a change in investment profile. MSCI (Total Net Return) Indices takes into account of dividend reinvestment after deduction of withholding tax.

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

43rd Floor, The Center, 99 Queen's Road Central, Hong Kong  
Hotline: Hong Kong (852) 2143 0688 | Singapore (65) 6718 0380  
Email: fis@vp.com.hk www.valuepartners-group.com

## NAVs & codes

Classes <sup>1</sup>	NAV	ISIN	Bloomberg
Class A1 USD	117.29	HK0000288735	VALASHY HK
Class A1 HKD <sup>2</sup>	910.7686	HK0000288735	VALASHY HK
Class A Acc RMB Hedged	17.05	HK0000288719	VALHAHR HK
Class A Acc RMB Unhedged	18.71	HK0000288727	VALHAUR HK
Class A2 MDIs USD	12.88	HK0000288743	VALHYA2 HK
Class A2 MDIs HKD	11.77	HK0000288784	VALHA2H HK
Class A2 MDIs AUD Hedged	10.66	HK0000288750	VALHA2A HK
Class A2 MDIs CAD Hedged	11.07	HK0000288768	VALHA2C HK
Class A2 MDIs GBP Hedged	10.47	HK0000288776	VALHDSF HK
Class A2 MDIs NZD Hedged	11.10	HK0000288792	VALHA2N HK
Class A2 MDIs RMB Hedged	11.24	HK0000288800	VALHRMB HK
Class A2 MDIs RMB Unhedged	11.20	HK0000288818	VAHYRMB HK
Class A2 MDIs SGD Hedged	12.17	HK0000288867	VALHA2S HK

## Dividend information – Class A2 MDIs<sup>3</sup>

Classes <sup>1</sup>	Dividend per unit <sup>4</sup>	Annualized yield <sup>5</sup>	Ex-dividend date
Class A2 MDIs USD	0.0360	3.4%	30-6-2021
Class A2 MDIs HKD	0.0329	3.4%	30-6-2021
Class A2 MDIs AUD Hedged	0.0298	3.4%	30-6-2021
Class A2 MDIs CAD Hedged	0.0302	3.3%	30-6-2021
Class A2 MDIs GBP Hedged	0.0282	3.2%	30-6-2021
Class A2 MDIs NZD Hedged	0.0322	3.5%	30-6-2021
Class A2 MDIs RMB Hedged	0.0386	4.1%	30-6-2021
Class A2 MDIs RMB Unhedged	0.0336	3.6%	30-6-2021
Class A2 MDIs SGD Hedged	0.0335	3.3%	30-6-2021

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## Top holdings

Name	Industry <sup>6</sup>	%
Taiwan Semiconductor Manufacturing Co Ltd	Semiconductors & semiconductor equipment	5.4
Samsung Electronics Co Ltd	Technology, hardware & equipment	5.0
China Construction Bank Corp	Banks	4.7
China Telecom Corp Ltd	Telecom services	3.6
Tencent Holdings Ltd	Media & entertainment	3.0
China Yongda Automobiles Services Holdings Ltd	Retailing	2.6
China Resources Land Ltd	Real estate	2.5
Sinopharm Group Co Ltd	Pharmaceuticals, biotechnology & life sciences	2.5
KWG Living Group Holdings Ltd	Real estate	2.3
MediaTek Inc	Semiconductors & semiconductor equipment	2.3

These securities constitute 34% of the Fund.

## Portfolio characteristics

As at 30 Jun 2021 <sup>7</sup>	
Price/earnings ratio	7.9 times
Price/book ratio	1.0 times
Portfolio yield	4.3%
Yield to maturity/put	N/A

	Class A1 USD	Class A2 MDIs USD	Class A Acc RMB	MSCI AC Asia (ex-Japan) Index (Total Net Return) <sup>8</sup>	MSCI AC Asia (ex-Japan) High Dividend Yield Index (Total Net Return) <sup>8</sup>
Annualized volatility (3 years) <sup>9</sup>	18.1%	18.1%	15.1%	18.0%	17.6%

Geographical exposure by listing<sup>9</sup>

Hong Kong	25%
H-shares	21%
South Korea	14%
Red Chips	13%
Taiwan	9%
India	6%
China A-shares	3%
United States	3%
Indonesia	2%
Others	2%
Cash <sup>10</sup>	2%

Sector exposure<sup>6,9</sup>

Information technology	18%
Industrials	13%
Communication services	12%
Consumer discretionary	12%
Real estate	12%
Banks	9%
Other financials	9%
Materials	3%
Utilities	3%
Energy	2%
Health care	2%
Insurance	2%
Others	1%
Cash <sup>10</sup>	2%

## 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 A1 USD - 2 Sep 2002 Class A2 MDIs USD - 28 Sep 2012 Class A2 MDIs HKD - 23 Sep 2013 Class A2 MDIs AUD/CAD/NZD Hedged - 23 Sep 2013 Class A Acc RMB Unhedged - 20 Mar 2014 Class A2 MDIs RMB Unhedged - 1 Sep 2014 Class A2 MDIs RMB Hedged - 10 Sep 2014 Class A Acc RMB Hedged - 11 Sep 2014 Class A2 MDIs GBP Hedged - 12 Mar 2015 Class A2 MDIs SGD Hedged - 23 Jan 2017
Dividend policy <sup>3</sup> :	Class A2 MDIs – aim at monthly distribution, subject to Manager's discretion

## Fee structure

	Class A1	Class A2 MDIs	Class A Acc
Minimum subscription	USD10,000 or HKD equivalent <sup>2</sup>	USD10,000 / HKD80,000 / AUD10,000 / CAD10,000 / GBP10,000 / RMB60,000 / NZD10,000 / SGD10,000	RMB60,000
Minimum subsequent subscription	USD5,000 or HKD equivalent <sup>2</sup>	USD5,000 / HKD40,000 / AUD5,000 / CAD5,000 / GBP5,000 / RMB30,000 / NZD5,000 / SGD5,000	RMB30,000
Subscription fee		Up to 5%	
Management fee		1.25% p.a.	
Performance fee <sup>11</sup>		15% of profit (High-on-high principle)	
Redemption fee		Nil	
Dealing day		Daily	

## Senior investment staff

## Co-Chairmen &amp; 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 corporate awards



Asia ex-Japan Equity House: Best-in-Class<sup>12</sup>  
Greater China Equity House: Outstanding Achiever<sup>12</sup>  
~ Benchmark Fund of the Year Awards 2018, Hong Kong

Offshore China Equity (10-year)<sup>13</sup>  
~ Insight & Mandate, Professional Investment Awards 2018

Scan QR code for fund documents<sup>14</sup>:



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 [fi@vp.com.hk](mailto:fi@vp.com.hk).  
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