Chinese Mainland Focus Fund

A Sub-Fund of Value Partners Intelligent Funds

NAV per unit: Class A USD - USD55.45 Fund size : USD137.2 million





August 2023

- · Chinese Mainland Focus Fund (The "Fund") invests primarily in investments which are related to mainland China.
- The Fund invests in China-related companies 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 China-related companies. Adverse development in such region may affect the value of the underlying securities in which the Fund invests.
- Investing in China exposes the Fund to additional risks including currency repatriation risk, uncertainty of taxation policies and risk associated with StockConnects, RQFII Quota, SME board, ChiNext market and/or the STAR board. The Fund may also expose to RMB currency and conversion risk.
- Investing in small/mid-capitalization securities may have lower liquidity and their prices are more volatile to adverse economic developments.
- It is possible that the entire value of your investment could be lost. 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 Sub-Fund aims to achieve medium to long-term capital appreciation by investing primarily in investments which are related to mainland China. The Sub-Fund will focus primarily on mainland China and at least 70% of the Sub-Fund's latest available NAV will be on investments related to mainland China at all times. The Sub-Fund may also invest, on an ancillary basis (up to 30% of the Sub-Fund's latest available NAV), in other markets where opportunities can be identified.

NAVs & codes

Classes ²	NAV	ISIN	Bloomberg
Classes -	IVAV	ISIN	
Class A USD	55.45	KYG9317Q1120	VAPAICM KY
Class A HKD	5.45	KYG9317Q2037	VACMFHA KY
Class A AUD Hedged	5.08	KYG9317Q2110	VACMFAA KY
Class A CAD Hedged	5.25	KYG9317Q2292	VACMFAH KY
Class A GBP Hedged	5.20	KYG9317Q2375	VACMFGA KY
Class A NZD Hedged	5.19	KYG9317Q2458	VACMFAZ KY
Class A RMB Hedged	7.34	KYG9317Q2862	VACMFAR KY

Performance since launch



Performance update

	The Fund (Class A USD)	MSCI China Index (Total Net Return) 1
Year-to-date	-8.1%	-4.7%
One month	-5.5%	-9.0%
One year	-11.4%	-7.5%
Three years	-32.0%	-37.0%
Five years	+14.6%	-18.0%
Total return since launch	+454.5%	+351.3%
Annualized return since launch ^	+9.1%	+7.9%

The Fund - Class A USD: Monthly performance from 1 Jan 2014 to 31 Aug 2023

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2014	-5.7%	-1.7%	-2.4%	-1.8%	+1.4%	+4.0%	+7.7%	+0.4%	-2.0%	+2.8%	+1.8%	+6.5%	+10.6%
2015	-0.5%	+1.6%	+6.4%	+19.4%	+3.3%	-6.8%	-13.0%	-12.9%	+0.3%	+7.9%	-1.5%	+1.8%	+1.7%
2016	-19.9%	-0.8%	+9.8%	-1.9%	-2.7%	-0.4%	+7.0%	+3.5%	+1.4%	-0.9%	+2.4%	-5.0%	-10.3%
2017	+7.9%	+3.2%	+3.5%	+1.8%	+2.8%	+4.9%	+9.8%	+3.2%	+2.2%	+4.9%	+3.0%	+1.9%	+61.2%
2018	+9.4%	-7.0%	-4.8%	-2.7%	+5.6%	-8.2%	-2.9%	-8.8%	-0.8%	-11.8%	+6.7%	-5.2%	-28.3%
2019	+9.6%	+7.0%	+2.1%	+1.6%	-12.0%	+10.6%	+0.5%	-4.8%	+3.4%	+4.4%	-0.0%	+11.8%	+36.6%
2020	-4.4%	+8.0%	-8.1%	+8.5%	+3.6%	+11.7%	+14.8%	+2.1%	-3.4%	+5.2%	+5.1%	+16.5%	+73.6%
2021	+4.1%	-2.9%	-9.0%	+5.8%	+1.5%	+1.7%	-11.6%	+0.4%	-4.6%	+4.7%	-2.6%	+0.0%	-13.2%
2022	-13.1%	-1.6%	-14.9%	-4.8%	+4.7%	+8.6%	-6.1%	-3.8%	-13.2%	-10.6%	+17.9%	+5.4%	-31.5%
2023 (YTD)	+9.2%	-8.2%	+0.2%	-4.1%	-8.9%	+4.6%	+6.1%	-5.5%					-8.1%

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

Top holdings

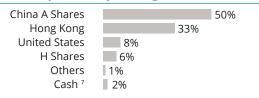
Name	Industry ³	%
Tencent Holdings Ltd	Media & entertainment	9.3
Alibaba Group Holding Ltd	Retailing	8.2
PDD Holdings Inc	Retailing	7.7
Luxshare Precision Industry Co Ltd	Technology, hardware & equipment	6.2
Meituan	Consumer services	5.9
Inspur Electronic Information Industry Co Ltd	Technology, hardware & equipment	5.5
Contemporary Amperex Technology Co Ltd A SHARES	Capital goods	5.2
NetEase Inc	Media & entertainment	5.1
Zhejiang Sanhua Intelligent Controls Co Ltd	Capital goods	5.0
Maxscend Microelectronics Co Ltd	Technology, hardware & equipment	4.6
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These securities constitute 63% of the Fund.

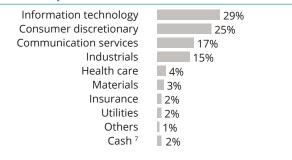
Portfolio characteristics

As at 31 Aug 2023 4		
Price/earnings ratio		18.4 times
Price/book ratio		2.8 times
Portfolio yield		1.2%
	The Fund (Class A USD)	MSCI China Index (Total Net Return) ¹
Annualized volatility (3 years) ⁵	27.4%	29.9%

Geographical exposure by listing 6



Sector exposure 3, 6



Fund facts

Manager: Value Partners Limited

Base currency: USD

HSBC Trustee (Cayman) Limited Trustee:

Custodian: HSBC Institutional Trust Services (Asia) Limited Launch date:

27 Nov 2003 - Class A USD 1 Mar 2021

- Class A HKD - Class A AUD Hedged - Class A CAD Hedged - Class A GBP Hedged

- Class A NZD Hedged 23 Feb 2022

- Class A RMB Hedged

Fee structure

Class A		
USD10,000 or equivalent		
USD5,000 or equivalent		
Up to 5%		
1.25% p.a.		
15% of profit (High-on-high principle)		
Nil		
Daily		

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung Investment Directors: Lillian Cao; Kelly Chung, CFA; Luo Jing, CFA;

Yu Chen Jun; Michelle Yu, CFA Senior Fund Managers: Frank Tsui

Key awards



Best Total Return - Greater China Equity (5-Year, 2nd Runner-up) ⁹

~ HKCAMA & Bloomberg, Offshore China Fund Awards 2020

Best China Equity Fund (10-year) 10

~ Thomson Reuters Lipper Fund Awards 2018

Scan QR code for fund documents¹¹:



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 fis@vp.com.hk.

request to email fis@vp.com.hk.

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3. Classification is based on Global Industry Classification Standard (GICS). 4. The profile is based on market consensus forecast as derived from FactSet and Bloomberg. Harmonic mean methodology is applied to calculate the forecast PIE ratio and PIB ratio. Portfolio yield is the weighted average of the total dividend yield of all securities in the portfolio. 5. Volatility is a measure of the theoretical risk in terms of standard deviation, based on monthly return over the past 3 years. 6. Exposure refers to net exposure (long exposure minus short exposure). Derivatives e.g. index futures are calculated based on PIL instead of notional exposure. 7. Cash includes receivables and payables (except cash for collaterals and margins). 8. Performance fee will only be charged if the NAV at the end of the financial year or upon realization of units exceeds the "high watermark", which is the all-time year-end high of the Fund's NAV. If in any one year, the Fund suffers a loss, no performance fee can be charged in subsequent years until the loss is recovered fully (the hi

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