

【 For Immediate Release 】
Value Partners Announces 2015 Interim Results
Financial highlights

(In HK\$ million)	For the period ended 30 June		
	2015 Unaudited	2014 Unaudited	% Change
Total revenue	924.8	443.6	+108.5%
Gross management fees	548.8	340.7	+61.1%
Gross performance fees	229.2	21.9	+946.6%
Operating profit (before other gains/losses)	361.7	159.2	+127.2%
Profit attributable to equity holders of the Company	445.7	140.6	+217.0%
Basic earnings per share (HK cents)	24.2	8.0	+202.5%
Diluted earnings per share (HK cents)	24.1	8.0	+201.3%
Interim dividend per share	Nil	Nil	

(Hong Kong, 13 August 2015) — Value Partners Group Limited (together with its subsidiaries, “Value Partners” or “the Group”, Hong Kong Stock Code: 806) today announced its interim results for the period ended 30 June 2015.

Value Partners’ story was compelling in the first half of 2015. Profit attributable to equity holders soared 217% from a year earlier to HK\$446 million, bolstered by sizable increase in performance fees and management fees, as well as considerable growth in net fair value gains of treasury operations.

As of 30 June 2015, the Group’s assets under management (“AUM”) increased 38% to US\$17.8 billion from US\$12.9 billion at the end of 2014 on substantial fund inflows and outstanding fund performance. Net sales in the first half of 2015 surged to a record high of US\$3.2 billion, amounting to the sum of the Group’s net sales in the past two years. Gross management fees rose 61% to HK\$549 million. Meanwhile, gross performance fees, another revenue driver, grew considerably to HK\$229 million from HK\$22 million, mainly driven by increasing contribution from the Group’s growing mandates on the mainland.

In terms of expenses, the Group continued to exercise stringent cost management. Fixed cost coverage ratio of the fund management business increased to 3 times from 2.7 times a year ago, demonstrating the Group’s resilience, which is particularly important in a volatile environment. As a result of an increase in fees and effective cost control, operating profit before other gains or losses rose 127% to HK\$362 million.

Meanwhile, outstanding fund performances fortified net fair value gains of treasury operations to HK\$126 million in the first half of 2015 from a net fair value loss of HK\$10 million a year earlier. Treasury operations include the Group’s seed capital investments and investments in its own funds.

Constantly evolving for future growth

Supported by the Group’s solid foundation over the past 22 years, Value Partners continued to strengthen its distribution network, anchor its presence in strategic markets and innovate new products in the first half of 2015. The Group also added four awards to its list of accolades to over 100 prizes.

1. Deepening ties with distribution partners

Value Partners is highly recognized among major international, regional and Chinese distributors for its core competence in investment management and distinctive product offerings. Value Partners High-Dividend Stocks Fund, the Group’s largest own branded fund (AUM: US\$4.2 billion¹), has been named “Best Retail Product²” in *AsianInvestor’s* Asset Management Awards 2015. While enjoying high penetration in the home market with a strong franchise, the Group is also extending the reach of its funds to overseas markets. For the rest of 2015, the Group will continue to foster ties with retail banks, private banks, insurance companies, independent financial advisory firms, as well as institutional clients.

2. Getting new China opportunities

China continues to be a key market to the Group. On the mainland, the Group deepened its partnership with Industrial and Commercial Bank of China Ltd. (“ICBC”), the largest bank in China. In addition to

offering A-share investment advisory services, Value Partners is also working with ICBC to provide cross-border and outbound investments for the bank's clients. Qualified Domestic Institutional Investors ("QDII") fund is one of such examples.

Separately, the Group has been in active preparation to take part in Mainland-Hong Kong Mutual Recognition of Funds ("MRF") to introduce its best-selling funds to investors in mainland China. The MRF qualification will mark an important milestone in the Group's history as this is the first time Value Partners taps domestic China capital with its own branded funds.

3. Launching new funds to add diversity

In the first seven months of 2015, the Group has broadened its product range with five new funds. Value China A-Share ETF, the world's first³ value-based Renminbi Qualified Foreign Institutional Investors ("RQFII") A-share exchange-traded fund ("ETF"), was listed in Hong Kong in March 2015. Meanwhile, the Group has expanded its product platform under the Undertakings for the Collective Investment in Transferable Securities ("UCITS") scheme by adding new thematic funds and equity funds. With growing demand for UCITS funds from private banks, as well as investors in Europe and some Asian countries, the Group's enriched UCITS platform will help expedite entry into these markets.

4. Building presence in Southeast Asia

Following the establishment of the Group's Singapore subsidiary last year, the unit launched its first feeder fund in Malaysia in June 2015. The feeder fund, investing in Value Partners High-Dividend Stocks Fund, was launched with Affin Hwang Asset Management Berhad, one of the top five asset managers in Malaysia.

Mr. Timothy TSE, Chief Executive Officer of Value Partners, said, "Our excellent performance has shown that we are superbly located in the right markets with the right strategy. Entering the second half of the year, market volatility edged up but we remain well positioned to embrace the opportunities and challenges ahead.

"As a long-term investor in China for over two decades, Value Partners has immense experience in weathering market downturns and believes the underlying direction of the Chinese stockmarket is still up over the long run. We will continue to demonstrate the fundamental strength of our business and execute on our strategy to deliver sustainable returns for investors and shareholders."

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1. As of 30 June 2015. 2. Based on achievements as of 31 December 2014.
3. Based on Bloomberg data, as of 30 June 2015, on RQFII A-Share ETFs in the market.

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About Value Partners Group Limited

Value Partners is one of Asia's largest independent asset management firms that seeks to offer world class investment services and products. Assets under management of the firm increased to US\$17.8 billion as of 30 June 2015. Since its establishment in 1993, the firm has been a dedicated value investor in Asia and the world. In November 2007, Value Partners Group became the first asset management firm listed on the Main Board of the Hong Kong Stock Exchange (Stock code: 806 HK). In addition to its Hong Kong headquarters, the firm operates in Shanghai, Beijing, Taiwan, Singapore and Chengdu. Value Partners manages absolute return long-biased funds, long-short hedge funds, fixed income products, exchange-traded funds, as well as quantitative funds, for institutional and individual clients in Asia Pacific, Europe and the United States.

For more information, please visit www.valuepartners.com.hk.

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