

**【 For Immediate Release 】**
**Value Partners Announces 2012 Final Results**
**Financial highlights**

(In HK\$ million)	2012	2011	% Change
Total revenue	<b>651.6</b>	688.9	-5.4%
Gross management fees	<b>461.8</b>	491.4	-6.0%
Gross performance fees	<b>112.1</b>	139.5	-19.6%
Profit attributable to equity holders of the Company	<b>376.4</b>	167.3	+125.0%
Basic earnings per share (HK cents)	<b>21.4</b>	9.5	+125.3%
Diluted earnings per share (HK cents)	<b>21.4</b>	9.5	+125.3%
Interim dividend per share	<b>Nil</b>	Nil	
Final dividend per share (HK cents)	<b>6.3</b>	5.8	+8.6%
Special dividend per share (HK cents)	<b>9.7</b>	Nil	

**(Hong Kong, 13 March 2013)** — Value Partners Group Limited (together with its subsidiaries, “Value Partners” or “the Group”, Hong Kong Stock Code: 806) today announced its final results for the year ended 31 December 2012.

Profit attributable to equity holders of the Company was HK\$376.4 million, which represents a 125.0% increase from 2011. This was mainly driven by significant gains made with the Group’s treasury operation, which include investment in its underlying funds and other treasury returns. The Group’s revenue saw a slight drop by 5.4% with a decline in management fees and performance fees. However, the Group still earned performance fees with products such as Value Partners’ second largest own-branded fund High-Dividend Stocks Fund. In terms of fund inflow, the Group continued to record a net subscription of US\$183 million in the year (2011: US\$847 million), leveraging Value Partners’ strong branding, distribution network and strategic product development.

**Mr. Timothy TSE, CEO of Value Partners**, said, “We achieved solid results in 2012 despite an uncertain investment environment for much of the year. Our net profit increased while we were able to grow our AUM to reach the record high in our history. We did not benefit much in the year from performance fees but in 2013, this could change.” For reference, the unaudited AUM of the Group hit an all-time high of US\$9.4 billion by the end of February 2013.

“Currently, many of our funds are on the way to reach their high watermarks, which will allow collection of performance fees”, added **Mr. TSE**. “Our High Dividend-Stocks Fund even surpassed its high watermark by 4.7% as of the end of February. We are entering a phase of growth for value investing where performance fee will likely be a bigger income contributor.”

In 2012, the Group continued to build on its success in Hong Kong by strengthening its distribution channels, solidifying the inflow from pension fund, expanding its global investor base, developing strategic new product and enriching its ETF offering. Seeing vast opportunities arising in Greater China, the Group has been working to capture new business opportunities across the strait.

Capitalizing on China opportunities going forward – QFII and RQFII

With the US\$100 million Qualified Foreign Institutional Investors (QFII) quota that Value Partners received by the end of 2012, the Group launched an A-share product<sup>1</sup> primarily for institutional investors in March 2013. Following the expansion of the Renminbi Qualified Foreign Institutional Investors (“RQFII”) scheme as announced in March 2013 by the China Securities Regulatory Commission (CSRC) to cover Hong Kong-registered financial institutions with major business in the territory, the Group will be applying for RQFII quota to capture related business opportunities.

For 2012, the Board of Directors of the Group recommended a final dividend of HK6.3 cents per share, and a special “anniversary” dividend of HK9.7 cents per share to their shareholders, as Value Partners celebrates the 20<sup>th</sup> anniversary of its founding in 2013.

Overall, the Group managed to maintain sound financial health. The Group’s total expenses amounted to HK\$272.4 million (2011: HK\$253.1 million). The fixed costs of the Group’s fund management business were well covered by net management fee income alone, at a coverage ratio of 2.2 times. The Group’s balance sheet and liquidity remained strong, with a net cash balance of HK\$888.1 million. Net cash inflows from operating activities amounted to HK\$41.7 million, and the Group had no borrowings.

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<sup>1</sup> Not authorized by the SFC and not available for public distribution in Hong Kong.

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**About Value Partners Group Limited**

Value Partners is one of Asia’s largest independent asset management firms with unaudited assets under management of US\$9.4 billion as of 28 February 2013. Since its establishment in 1993, the firm has been a dedicated value investor with a focus on the Greater China region. In November 2007, Value Partners Group Limited became the only asset management firm listed on the main board of the Hong Kong Stock Exchange (Stock code: 806 HK). Value Partners manages absolute return long-biased funds, long-short hedge funds, exchange-traded funds, quantitative funds, as well as fixed income products for institutional and individual clients in Asia Pacific, Europe and the U.S.

For more information, please visit [www.valuepartners.com.hk](http://www.valuepartners.com.hk).

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