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VALUE PARTNERS GROUP LIMITED

惠理集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 806)

PROFIT WARNING

This announcement is made by the Company pursuant to Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2) of the Listing Rules.

The Group expects to record a substantial decrease in its consolidated net profit attributable to equity holders of the Company to about HK\$3.3 million for the six months ended 30 June 2013 as compared to HK\$88.2 million for the six months ended 30 June 2012. The substantial decline is mostly attributable to the net fair value losses of the Group's seed capital investments and investments in its own funds. Excluding the net fair value losses, the Group's fund management business remained robust, with an increase of 42% in its operating profit (before other gains/losses*), which rose to HK\$126.1 million for the six months ended 30 June 2013 from HK\$88.8 million in the same period last year due to an increase in management fee and performance fee.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by Value Partners Group Limited (the "Company", together with its subsidiaries, the "Group") pursuant to Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571) (the "SFO") and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Group expects to report a substantial decrease of 96% in its consolidated net profit attributable to equity holders of the Company to about HK\$3.3 million for the six months ended 30 June 2013 from HK\$88.2 million in the same period last year. The substantial decline is mostly attributable to the net fair value losses of the Group's seed capital investments and investments in its own funds. Seed capital investments are made by the Group to seed certain amount of capital to new funds which is considered necessary during the initial fund launch phase. The Group also invests further into its own funds side by side with investors where appropriate, for better alignment of interest and investment returns.

Excluding the net fair value losses, the Group's fund management business remained robust with an increase of 42% in its operating profit (before other gains/losses*), which rose to HK\$126.1 million for the six months ended 30 June 2013 from HK\$88.8 million in the same period last year. The increase was mainly attributable to an increase in management fee and performance fee. During the six months ended 30 June 2013, the Group generated a net cash inflow of HK\$126.6 million from operating activities.

The Group continued to maintain a strong financial position with assets under management (“AUM”) held stably at US\$8.6 billion as at 30 June 2013, and the Group managed to achieve a net inflow of US\$0.6 billion to its AUM during the first half of the year 2013.

This announcement is only based on a preliminary review of the unaudited consolidated financial statements of the Group for the six months ended 30 June 2013, which have not yet been finalized and are subject to the review of the Company and its auditor.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
Value Partners Group Limited
TSE Wai Ming, Timothy
Chief Executive Officer and Executive Director

Hong Kong, 25 July 2013

As at the date of this announcement, our Directors are Mr. Cheah Cheng Hye, Ms. Hung Yeuk Yan Renee, Mr. So Chun Ki Louis and Mr. Tse Wai Ming, Timothy as Executive Directors and Dr. Chen Shih Ta Michael, Mr. Lee Siang Chin and Mr. Nobuo Oyama as Independent Non-executive Directors.

* Other gains/losses mainly include fair value changes and realized gains/losses on disposal of seed capital investments, investments in own funds and other investments; and net foreign exchange gains/losses.