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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)

**DISCLOSEABLE TRANSACTION —
FORMATION OF A JOINT VENTURE COMPANY**

On 15 September 2011, Brilliant Star Capital, a wholly-owned subsidiary of the Company entered into the JV Agreement with the PRC Party, pursuant to which Brilliant Star Capital and the PRC Party agreed to form the JV Company to operate and develop small loan business in Chengdu City, Sichuan Province, the PRC. The JV Company will be owned as to 90% by Brilliant Star Capital and 10% by the PRC Party.

As certain applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of Brilliant Star Capital's investment exceeds 5% but is less than 25%, such investment constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

FORMATION OF THE JV COMPANY

The Company is an investment holding company. The Group principally provides investment management services to investment funds and managed accounts.

The PRC Party is a state-owned enterprise in the PRC which principally invests in emerging industries in Chengdu City of the PRC. The PRC Party is wholly-owned by Chengdu Industry Investment Group Co., Ltd. which is an investment holding company controlled by Chengdu State-owned Assets Supervision and Administration Commission ("Chengdu SASAC").

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The principal terms and conditions of the JV Agreement are as follows.

THE JV AGREEMENT

Date	:	15 September 2011
Parties	:	(1) Brilliant Star Capital, a wholly-owned subsidiary of the Company; and (2) the PRC Party, a state-owned enterprise in the PRC. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the PRC Party is a third party independent of the Company and its connected persons.
Business scope of the JV Company	:	Provision of small loans and related consultancy services
Term of the JV Company	:	30 years from the issuance of its business license
Total Investment	:	RMB300,000,000
Total registered capital	:	RMB300,000,000
Capital Contribution	:	(1) 90% of the total registered capital amounting to RMB270,000,000 (approximately HK\$329,700,000) will be provided by the Company; and (2) 10% of the total registered capital amounting to RMB30,000,000 (approximately HK\$36,600,000) will be provided by the PRC Party.
		Each of the Company and the PRC Party shall make their capital contribution to the JV Company in cash as a one-off payment within six months of the date of the issuance of the business license of the JV Company.
		The amount of capital contribution was arrived at after arm's length negotiations between the parties concerned with reference to the capital requirements of the JV Company. The Directors intend to pay the Company's capital contribution to the JV Company by existing funding available to the Group.
Board composition	:	The board of the JV Company will comprise five directors, of which four shall be appointed by Brilliant Star Capital and the remaining one by the PRC Party.
Conditions precedent	:	The JV Agreement and the contribution to the capital of the JV Company are subject to certain conditions precedent including, among other things, approvals by the relevant authorities in the PRC.
Transfer of equity interest	:	Transfer of equity interest will be subject to customary first right of refusal by the other shareholders.

REASONS AND BENEFITS OF FORMATION OF THE JV COMPANY

The formation of the JV Company represents the Group's initiative in developing small loan businesses in the PRC. With the support of a state-owned enterprise as the joint venture partner, the Directors believe that the JV Company will be well positioned to tap into the small business and consumer loan markets in Chengdu City, which have not been adequately served by major commercial banks. An independent, dedicated team of seasoned professionals will be formed to operate this business.

The Group principally provides investment management services to investment funds and managed accounts. The formation of the JV Company will be the Group's first venture into other financial services in the mainland which will allow the Group to produce alternative income stream with a new business.

The terms of the JV Agreement including the investment amount of RMB270,000,000 to be contributed by the Company in relation to formation of the JV Company were agreed by the Company after arm's length negotiation with the PRC Party. The Directors (including the independent non-executive Directors) consider that such terms are fair and reasonable and that the formation of the JV Company is in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of Brilliant Star Capital's investment exceeds 5% but is less than 25%, such investment constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context otherwise requires:

“Brilliant Star Capital”	means Brilliant Star Capital Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;
“Company”	means Value Partners Group Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange;
“connected persons”	has the meaning ascribed thereto in the Listing Rules;
“Directors”	means the directors of the Company;
“Group”	means the Company and its subsidiaries;
“HK\$”	means Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“JV Agreement”	means the joint venture agreement dated 15 September 2011 entered into between Brilliant Star Capital and the PRC Party in relation to the formation of the JV Company;
“JV Company”	means the equity joint venture company to be established in the PRC pursuant to the JV Agreement;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;

- “PRC” means the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administration Region and Taiwan area;
- “PRC Party” means 成都工投新興產業投資有限責任公司 (Chengdu GT Emerging Industries Investment Co., Ltd.), a limited liability company established in the PRC which is a wholly-owned subsidiary of 成都工業投資集團有限公司 (Chengdu Industry Investment Group Co., Ltd.), a state-owned enterprise;
- “RMB” means renminbi, the lawful currency in the PRC; and
- “Stock Exchange” means The Stock Exchange of Hong Kong Limited.

For the purpose of this announcement, the exchange rates of RMB1 to HK\$1.221 has been used for currency translation, where applicable. Such exchange rates are for illustration purposes only and do not constitute representations that any amount in HK\$ or RMB have been, could have been or may be converted at such rates.

By order of the board of
Value Partners Group Limited
Tse Wai Ming
Executive Director and Company Secretary

Hong Kong, 15 September 2011

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