

【 For Immediate Release 】
**Value Partners Group announces 2016 interim results,
made two important hires to fuel overseas expansion**
Highlights

- Assets under management stood at US\$13.3 billion. Meanwhile, net profit ended at HK\$5 million, mainly due to a decline in gross performance fee income and mark-to-market losses of the Group's treasury operations.
- China remains a strategic market of Value Partners. A number of Qualified Domestic Limited Partner ("QDLP") products were launched in 1H 2016 for mainland institutions and high-net-worth individuals that seek overseas investment diversification.
- In 1H 2016, Value Partners deepened its fixed income offering by launching a fund that mainly invests in Greater China preference shares. With attractive risk-adjusted returns despite prevailing market volatility, the fund has been well received among Chinese investors. Looking forward, the Group plans to further expand its product suite which may include fixed income funds and products covering global emerging markets.
- Value Partners appointed Roger HEPPEL as Group Chief Operating Officer and Kenny TJAN as Country Head of Value Partners Asset Management Singapore Pte. Ltd., fostering the Group's growth and expansion in the region.

Financial results (unaudited)

	30/6/2016	31/12/2015	Change
Assets under management (US\$ billion)	13.3	15.6	-15%
(In HK\$ million)	1H 2016	1H 2015	Change
Profit attributable to owners of the Company	5.0	445.7	-99%
Total revenue	729.6	924.8	-21%
Gross management fees	529.2	548.8	-4%
Gross performance fees	5.2	229.2	-98%
Total expenses	(241.0)	(257.7)	-6%
Operating profit (before other gains/losses)	110.4	361.7	-69%
Net fair value gains/losses of treasury operations	(86.6)	126.0	-169%
Basic earnings per share (HK cents)	0.3	24.2	-99%
Diluted earnings per share (HK cents)	0.3	24.1	-99%
Interim dividend per share	Nil	Nil	

(Hong Kong, 16 August 2016) — Value Partners Group Limited (together with its subsidiaries, "Value Partners" or "the Group", Hong Kong Stock Code: 806) today announced financial results for the six months ended 30 June 2016.

Mr. Timothy TSE, Chief Executive Officer of Value Partners, commented:

Overview

The first-half operating environment was tough and affected the entire asset management industry. However, Value Partners remains on a sound business footing, and we believe there remain strong opportunities for future growth. We have taken prudent measures to tighten cost control. Fixed operating expenses continued to be well covered by net management fee income, a relatively stable income source. Fixed cost coverage ratio was 2.3 times during the period.

As China becomes one of the world's largest exporters of capital, Asian fund managers are entering a golden age of opportunities and Value Partners is in a sweet spot to benefit from this.

Although the outlook remains challenging and volatile, we are hopeful that the second half of 2016 will bring an improvement in our operating environment. We expect the new Shenzhen-Hong Kong Stock

Connect scheme to be announced soon, adding liquidity and a new source of support to China-related stocks in the market. Importantly, such an announcement would signify that China remains committed to its programme of capital account opening and market reform – a bullish situation for the financial services industry. We will continue to work hard to prepare Value Partners for the opportunities arising from the China situation.

Investing for the future

At the Group level, we further strengthened our management team to cope with the increasing scale and complexity of the Group's business. In August 2016, we appointed Mr. Roger HEPPER as Group Chief Operating Officer, who is mandated to lead and enhance our business operations and risk controls. Roger is an industry veteran who has extensive experience in building infrastructure and internal control systems for leading asset management firms in the region.

In Singapore, we appointed Mr. Kenny TJAN in June 2016 as Country Head to manage our Singapore business. Kenny is also a Senior Fund Manager leading investment and portfolio management activities there. His extensive experience in managing Asia-Pacific and global emerging markets equity portfolios will help develop the Group's investment capability in these areas.

The appointments of Roger and Kenny are instrumental in transforming Value Partners into one of the world-class asset management firms in Asia. Their extensive international business experience and deep understanding of Asian asset management industry will help Value Partners respond to the changing needs of investors and the fast-evolving industry landscape.

Meanwhile, the Group is planning to set up an office in the United Kingdom with local investment management and business staff. The office is planned to act as our western hub.

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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 were US\$13.3 billion as of 30 June 2016. 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' investment strategies cover absolute return long biased, fixed income, multi asset, alternative, relative return and thematic for institutional and individual clients in Asia Pacific, Europe and the United States. The Group also offers exchange-traded funds under the brand of Value ETF.

For more information, please visit www.valuepartners-group.com.

Media enquiries:

Anne LUI
Senior Director, Marketing and Communications
Email: annelui@vp.com.hk
Tel: (852) 2143 0653

Teresa YU
Associate Director, Marketing and Communications
Email: teresayu@vp.com.hk
Tel: (852) 2143 0320

Stephanie TONG
Manager, Marketing and Communications
Email: stephanietong@vp.com.hk
Tel: (852) 2143 0459

Appendix – Biographies**Roger HEPPEL**
Group Chief Operating Officer

Mr. Roger HEPPEL is Group Chief Operating Officer of Value Partners Group. He oversees the overall infrastructure of the Group, covering technology and operations, risk and controls, as well as middle-office coordination across the Group's Hong Kong headquarters and overseas offices.

Mr. HEPPEL joined Value Partners in August 2016. He has a distinguished career in asset management with over 29 years of experience. He is a veteran of JPMorgan Group with diverse leadership roles.

Mr. HEPPEL was Managing Director and Chief Operating Officer of Asia Pacific for JPMorgan Asset Management. He joined the firm in 1987 as an Internal Audit Manager in London and relocated to Hong Kong in 1995 as a Senior Finance Manager of Jardine Fleming Unit Trusts. He was appointed Head of Risk Management and Middle Office of Asia Pacific in 1999, then Head of Risk, Operations & Technology of Asia Pacific in 2001, before taking up the Regional Chief Operating Officer role in 2003. Prior to joining the firm, he began his career at Baker Rooke in London and qualified as a Chartered Accountant.

In addition to holding a number of directorships and board memberships at JPMorgan Asset Management across Asia, Mr. HEPPEL was invited to sit in various committees of Hong Kong's Securities and Futures Commission such as the Committee on Unit Trusts and the Real Estate Investment Trusts Committee. He also served as a Representative Director on the OTC Clear Board of Hong Kong Exchanges & Clearing Limited.

Kenny TJAN CFA
Country Head, Value Partners Asset Management Singapore Pte. Ltd.
Senior Fund Manager

Mr. Kenny TJAN is Country Head and Director of Value Partners Asset Management Singapore Pte. Ltd. ("VPAMS"). He oversees business activities, as well as investment and portfolio management activities of VPAMS. He will also leverage his expertise in Global Emerging Markets to help develop the Group's investment capability in this area.

He has over 25 years of experience in the financial industry with extensive experience in managing Asia-Pacific and Global Emerging Markets equity portfolios. Prior to joining VPAMS, he was most recently Managing Director and Chief Investment Officer at Metisq Capital. Before that, he was with Goldman Sachs Asset Management where he served as Co-Head of Global Emerging Markets and Asia ex-Japan Equities Teams, as well as Chief Investment Officer of China Equity Team. He also had stints with a number of financial institutions including Rothschild Asset Management, Nomura Asset Management and Citibank.

Mr. TJAN was named a winner in the Emerging Markets category in Investment Week Fund Manager of the Year Awards 2006 for managing Goldman Sachs Global Emerging Markets Equity Fund. The fund was also crowned Best Emerging Markets Global Equity Fund over 5 years in the Lipper Fund Awards Hong Kong 2005.

Mr. TJAN graduated from the National University of Singapore with a Bachelor's degree in Business Administration. He is a CFA charterholder.