

Value Partners Group Limited

Incorporated in the Cayman Island with limited liability

A company listed on the Hong Kong Stock Exchange

Stock code: 806 HK



2016 Interim Results

For the period ended 30 June 2016

Results Presentation, 16 August 2016

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Financial highlights

*By Icy Wong
Head of Finance*

Heightened market volatility

Concerns on China



- Economic growth
- Debt burden

Feeble growth in major economies

UK: 0.6%

EU: 0.3%

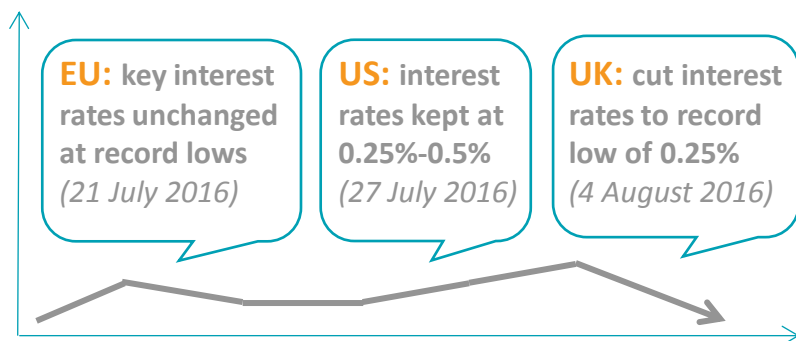
US: 1.2%

Japan: 0.5%



Latest GDP growth*

Historically low yields



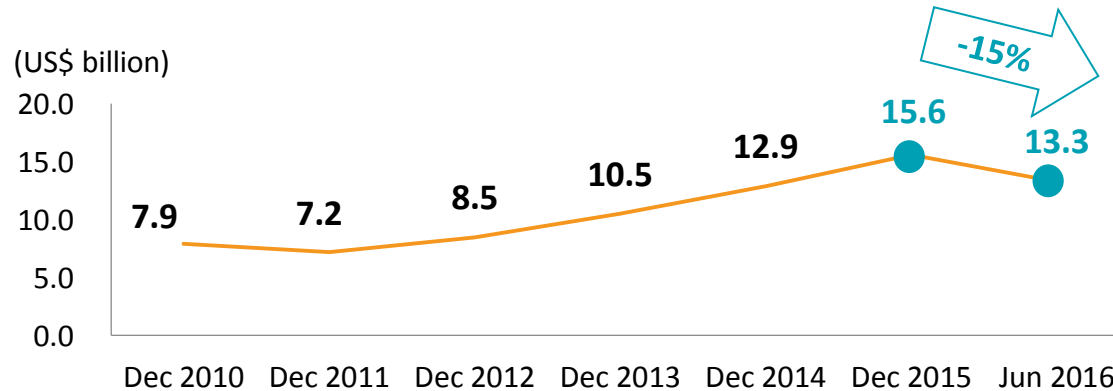
The Brexit vote



* Refers to 2Q 2016 gross domestic product ("GDP") growth of European Union, United Kingdom and United States, as well as 1Q 2016 GDP growth of Japan. Sources of data: Office for National Statistics in the United Kingdom, Eurostat (the statistical office of the European Union), Bureau of Economic Analysis under US Department of Commerce and the Cabinet Office of Japan.

Assets under management

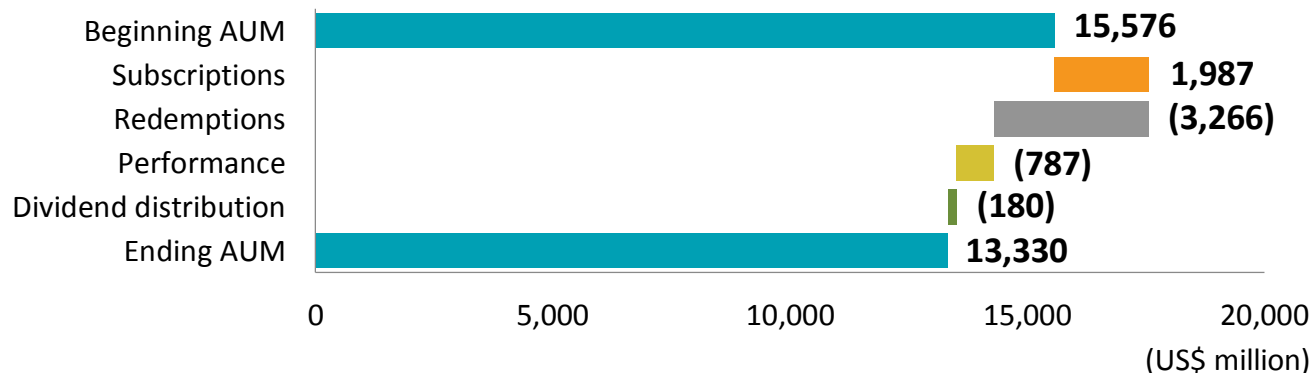
Value Partners' AUM stood at US\$13.3 billion as of 30 June 2016



Reasons of AUM decline

- **Net outflow** of US\$1.3 billion (1H 2015: net inflow of US\$3.2 billion; 2H 2015: net inflow of US\$0.8 billion)
- **Less robust fund performance** which dragged AUM by US\$787 million

AUM change in 1H 2016

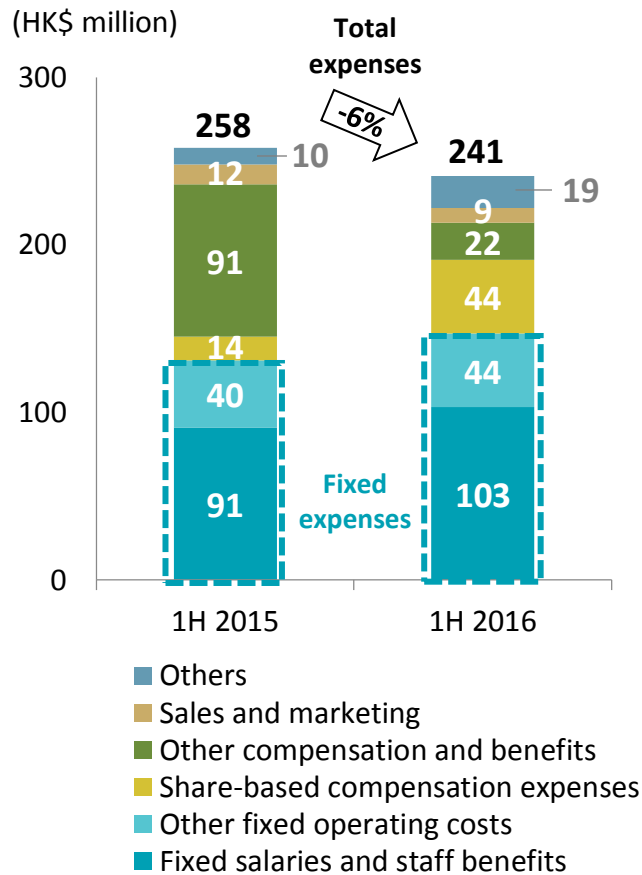


Key highlights

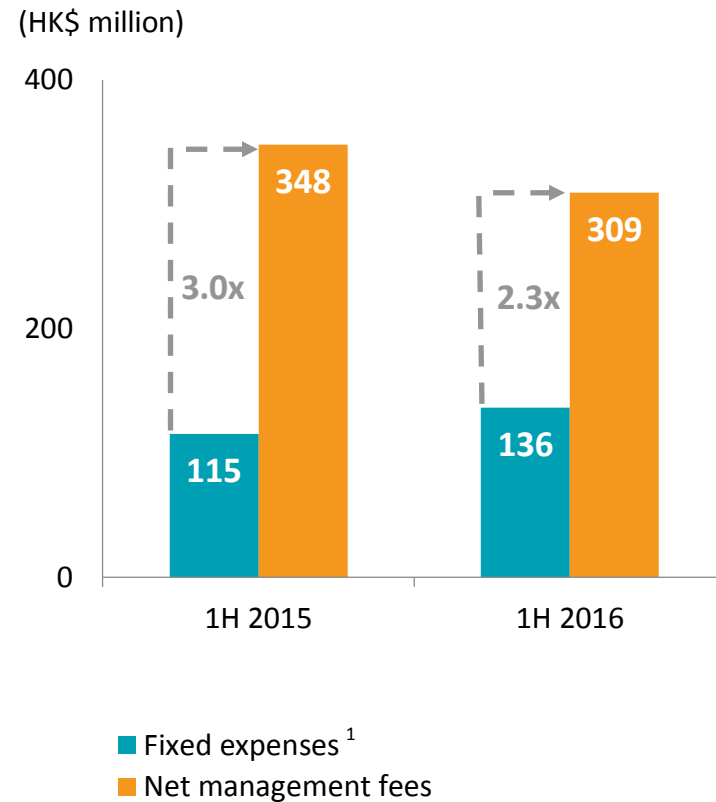
(In HK\$ million)	1H 2016	1H 2015	% Change
Profit attributable to owners of the Company	5.0	445.7	-99%
Total revenue	729.6	924.8	-21%
Gross management fees	529.2	548.8	-4%
Gross performance fees	5.2	229.2	-98%
Total expenses	(241.0)	(257.7)	-6%
Operating profit (before other gains or losses)	110.4	361.7	-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	

Stringent cost control

Breakdown of total expenses



Fixed cost coverage ratio



1. Fixed expenses mainly represent fixed salaries and benefits, rent, investment research, other administrative and office expenses for asset management business.

Business review

*By Timothy Tse
Chief Executive Officer*

Establish global presence

Overseas markets

- **UK:**
 - Set up local office and staff force in the United Kingdom
 - Act as the Group's western hub
- **Singapore:**
 - Increase local presence and offer more products to Southeast Asian investors

Hong Kong - our headquarters

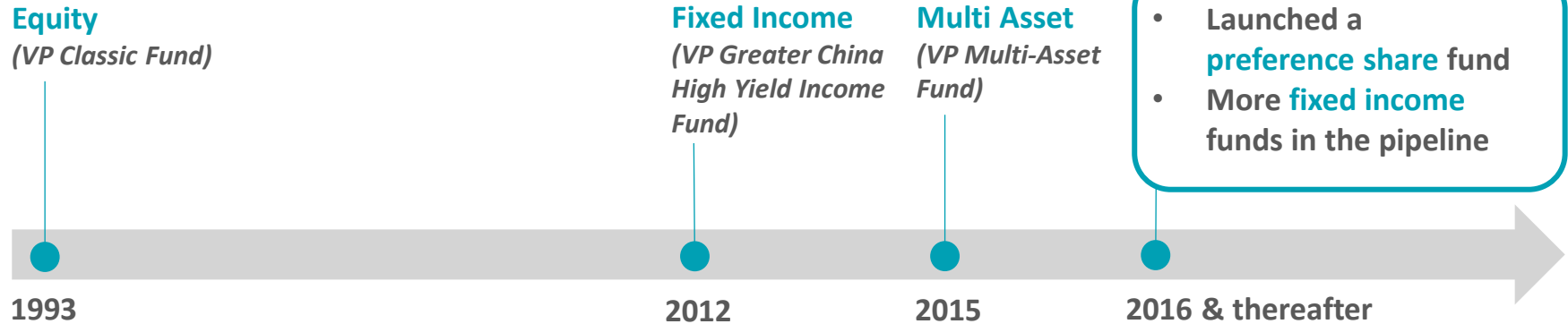
- **Deepen penetration of existing distributors**
 - Add more products onto product shelves
 - Expand private banking network

China – our strategic market

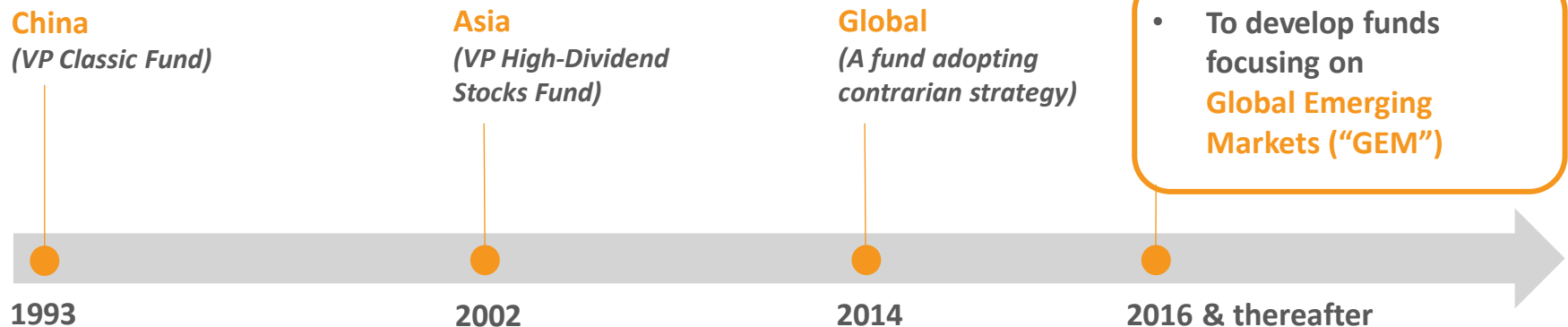
- **Outbound:**
 - Offer Chinese investors overseas exposure via QDLP, MRF products
- **Inbound:**
 - Help foreign investors to invest in China via QFII, RQFII

Diversify product range

By Asset Class



By Geography



Two important hires

Roger HEPPEL Group Chief Operating Officer

- 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.**
- **Joined the Group 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.

★ UNITED KINGDOM

★ CHINA

★ HONG KONG
HEADQUARTERS

★ SINGAPORE

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

- Oversees **the Group's business and investment management activities in Singapore.** He will also leverage his expertise in **Global Emerging Markets ("GEM")** to help develop the Group's investment capability in this area.
- **Joined the Group in June 2016.** He has over 25 years of experience with extensive experience in managing Asia-Pacific and global emerging markets portfolios.

Appendix: biographies



Roger HEPPEP

Group Chief Operating Officer

- 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.**
- **Joined the Group 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.
- 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

- Oversees **the Group's Singapore subsidiary, Value Partners Asset Management Singapore Pte. Ltd,** as well as **investment and portfolio management activities in the country.** He will also leverage his expertise in **Global Emerging Markets** to help develop the Group's investment capability in this area.
- **Joined the Group in June 2016.** He has over 25 years of experience in the financial industry with extensive experience in managing Asia-Pacific and Global Emerging Markets equity portfolios.
- 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.**

Investor relations contact



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