

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 Final Results

For the year ended 31 December 2016

Results Presentation, 7 March 2017

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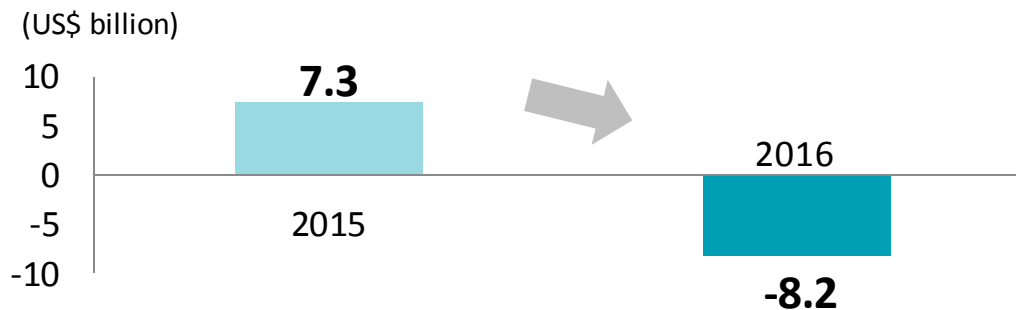
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Financial highlights

*By Icy WONG
Chief Financial Officer*

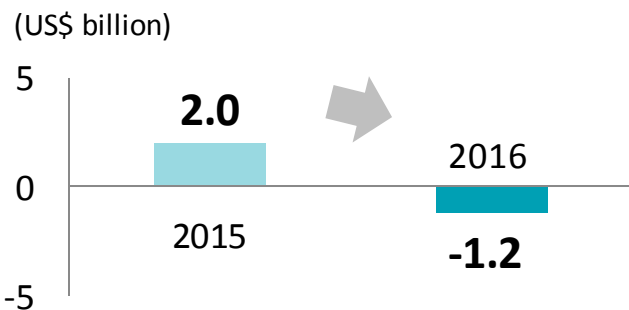
Outflows hit Hong Kong's fund market

Retail equity funds in Hong Kong recorded net outflows in 2016

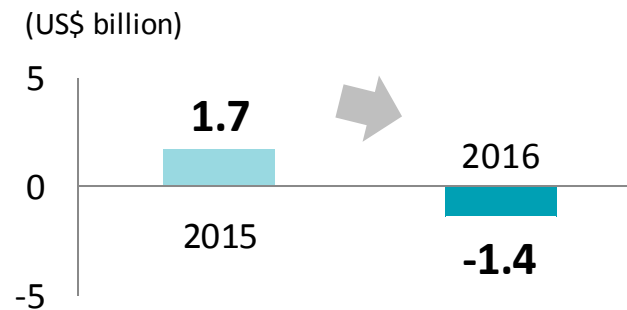


Asia and China equity funds were among the hardest hit

Net outflows of Asia regional ex-Japan equity funds

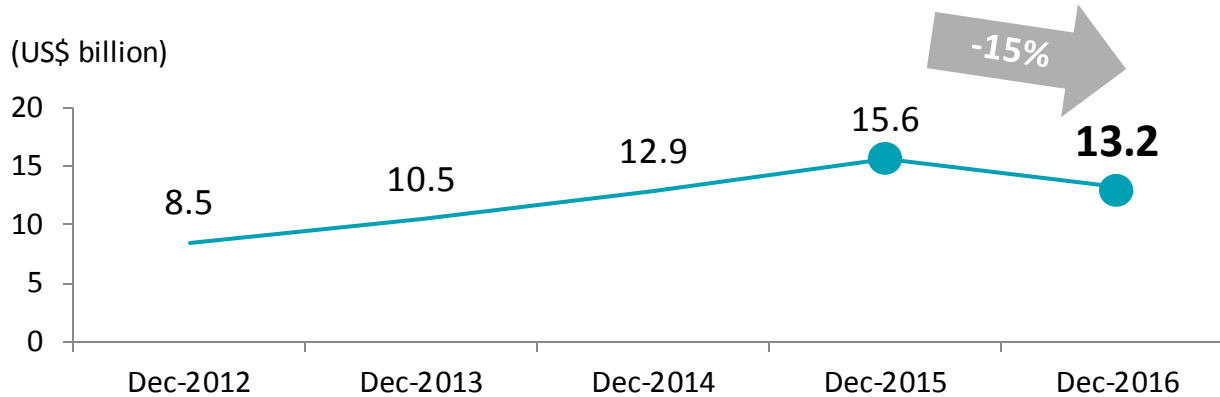


Net outflows of China equity funds



Assets under management, net profit

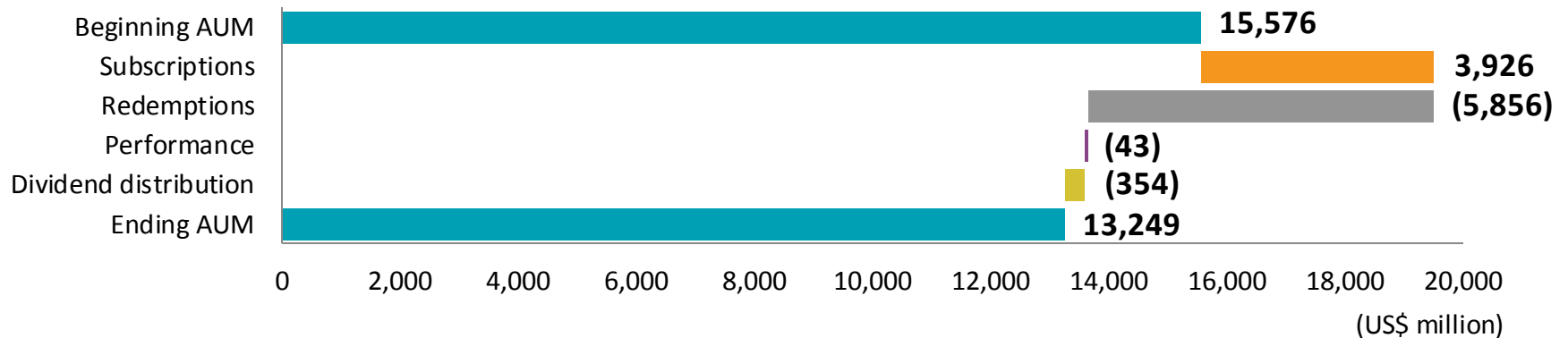
Assets under management ("AUM")



Major reason of AUM decline

- **Net redemption** of US\$1.9 billion

AUM change in the year 2016

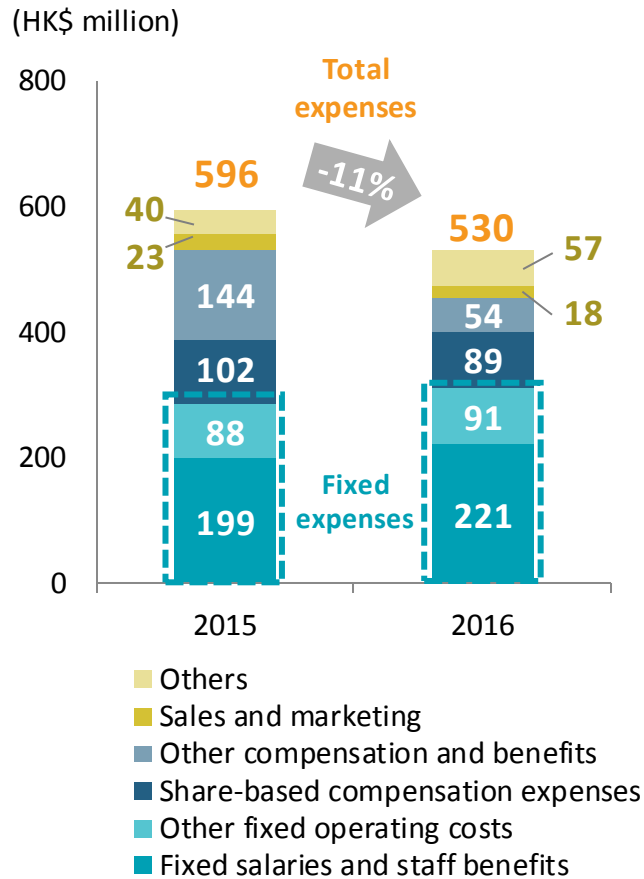


Key highlights

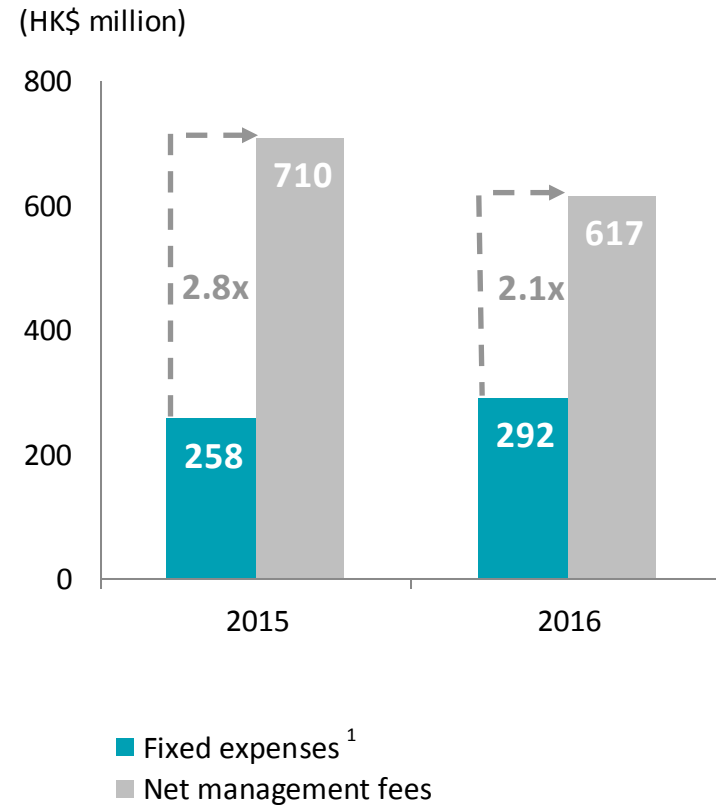
(In HK\$ million)	2016	2015	% Change
Profit attributable to owners of the Company	137.5	273.6	-50%
Total revenue	1,433.1	1,768.3	-19%
Gross management fees	1,049.1	1,144.7	-8%
Gross performance fees	10.8	309.0	-97%
Total expenses	(530.3)	(595.8)	-11%
Operating profit (before other gains or losses)	178.7	514.0	-65%
Basic earnings per share (HK cents)	7.4	14.8	-50%
Diluted earnings per share (HK cents)	7.4	14.8	-50%
Interim dividend per share (HK cents)	Nil	Nil	
Final dividend per share (HK cents)	4.8	10.0	-52%
Special dividend per share (HK cents)	7.2	6.0	+20%
Total dividends per share (HK cents)	12.0	16.0	-25%

Stringent cost control

Total expenses



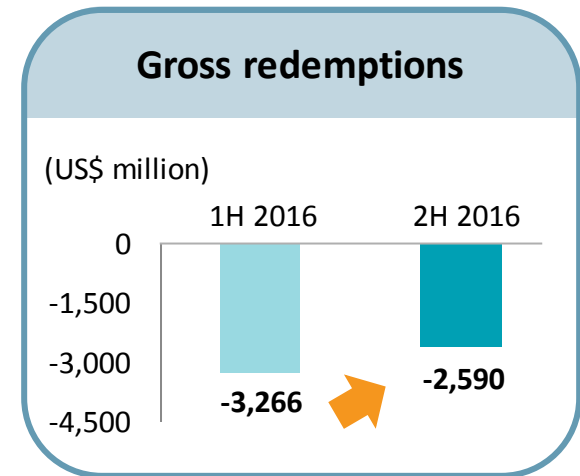
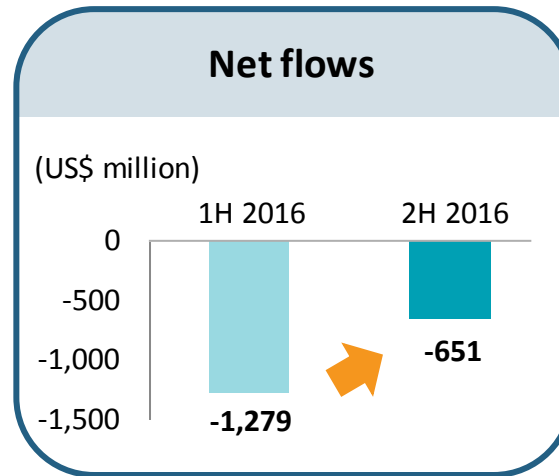
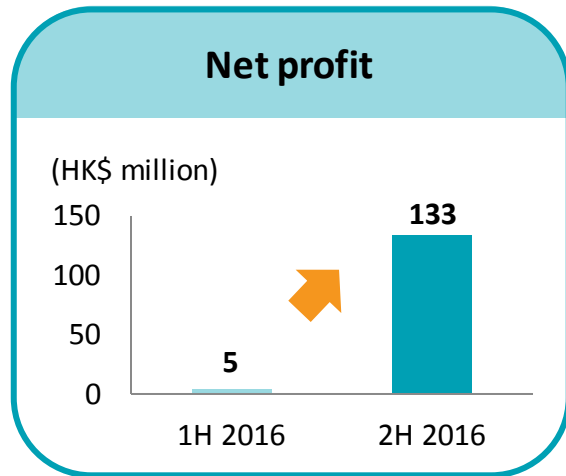
Fixed cost coverage ratio



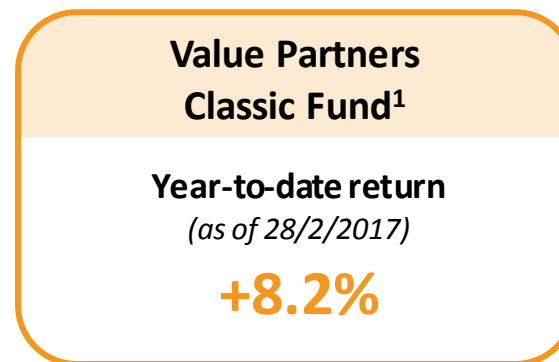
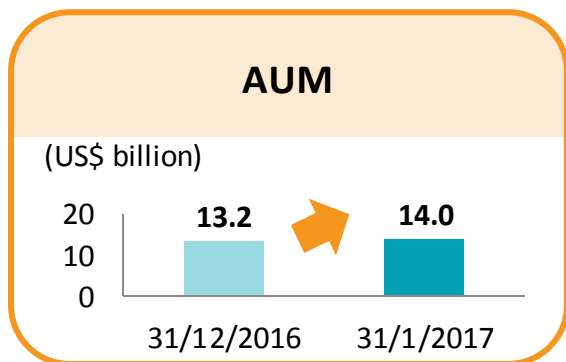
1. Fixed expenses mainly represent fixed salaries and benefits, rent, investment research, other administrative and office expenses for asset management business.

Sentiments are picking up

Improving trend in the second half of 2016...



...and the positive momentum continues in 2017



1. Performance of Value Partners Classic Fund (A Units) as of 28 February 2017, in USD, NAV to NAV, with dividend reinvested and net of fees. Annual performance over the past five years: 2012: +14.0%; 2013: +11.2%; 2014: +13.5%; 2015: -1.5%; 2016: -3.2%; 2017 (Year to date as at 28 February): +8.2%.

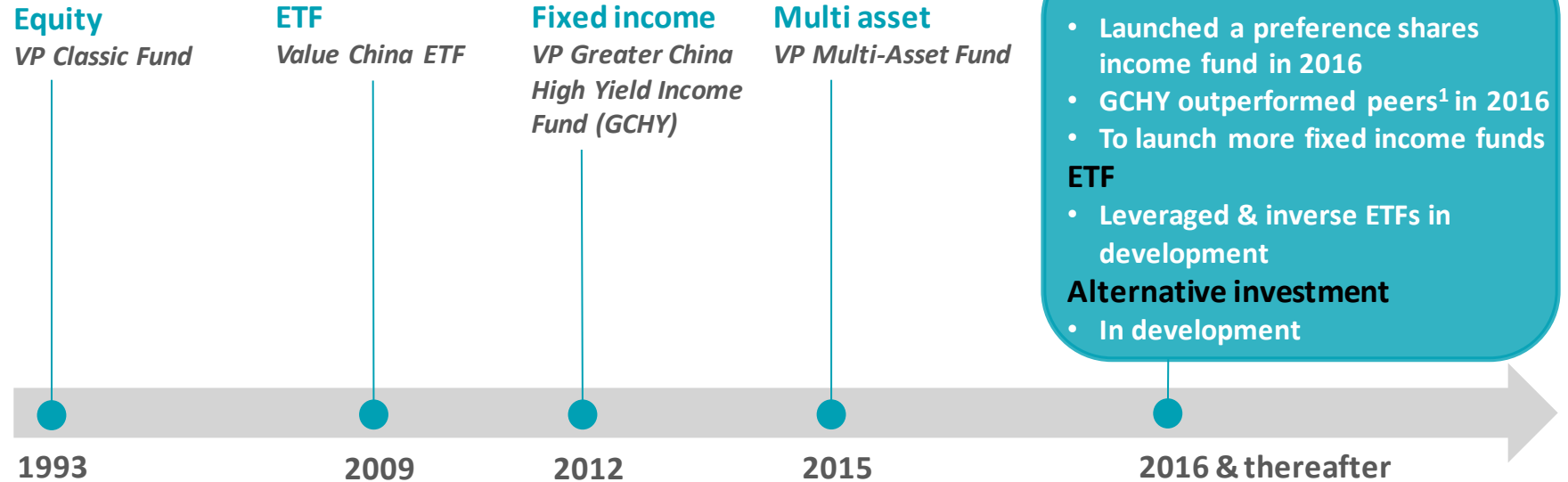
2. Performance of Value Partners High-Dividend Stocks Fund (Class A1) as of 28 February 2017, in USD, NAV to NAV, with dividend reinvested and net of fees. Annual performance over the past five years: 2012: +25.2%; 2013: +8.1%; 2014: +9.4%; 2015: -3.7%; 2016: -0.2%; 2017 (Year to date as at 28 February 2017): +9.8%.

Business review

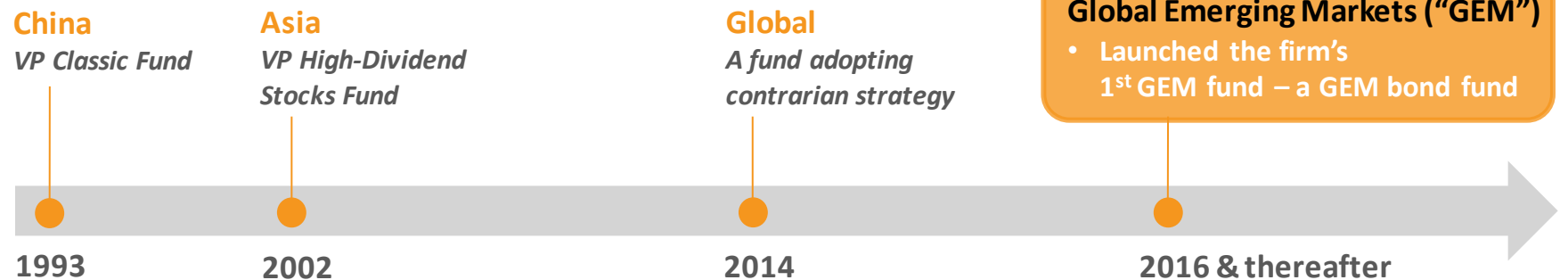
*By Dr. AU King Lun MH, Ph.D
Chief Executive Officer*

Product diversification

By asset class

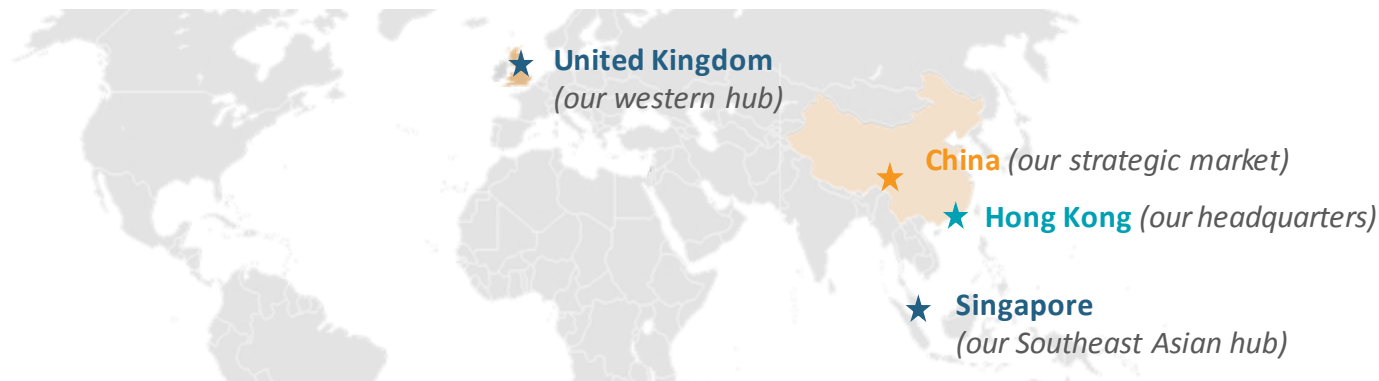


By geography



1. Value Partners Greater China High Yield Income Fund delivered a return of 15.9% in 2016, outperforming the 5.6% of the J.P. Morgan China Total Return Index, a sub-index under the J.P. Morgan Asia Credit Index which tracks total return performance of the Asia fixed-rate dollar bond market. Annual performance of Value Partners Greater China High Yield Income Fund (Class P Acc USD) over the past five years: 2012: +13.0%; 2013: +1.2%; 2014: +1.1%; 2015: +6.1%; 2016: +15.9%; 2017 (Year to date as at 28 February): +5.5%. Performance is in USD, NAV to NAV, with dividend reinvested and net of fees.

Branding and positioning



VP as a China Investment Expert

↓ **Building our global reach** ↓

Singapore's
subsidiary obtained
Retail LFMC¹ license



Opened **London**
office to offer more
UCITS² products

VP as an Investment Solution Provider

Cross-border products



Onshore products

Launched
various **QDLP³**
products



Submitted
MRF⁴
application

1. Refers to Licensed Fund Manager Company.
2. Refers to Undertakings for the Collective Investment in Transferrable Securities.
3. Refers to Qualified Domestic Limited Partnership.
4. Refers to the Mainland-Hong Kong Mutual Recognition of Funds.

Value Partners' vision and strategy



A Global Asset Manager

- Temple of Value Investing
- The first in Asia by product and distribution
- Capitalise on opportunities arising from China's capital account liberalisation

Investment strategy

Asset class and product

Branding

140+ awards and counting



Fund House of the Year -
Hong Kong¹
Value Partners



Best Fund Provider –
Greater China Equity¹
Value Partners



Best Equity Group (Hong Kong)²
Value Partners



Fund Management Company
of the Year (Hong Kong)³
Value Partners

1. Based on performance and achievements for 2015. 2. Thomson Reuters Lipper Fund Awards Hong Kong 2016, reflecting performance over the 3-year period as at December 2015. 3. Based on achievements as of 31 December 2014. Past performance is not indicative of future results.

Investor relations contact

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