



Fund Menu

March 2019

A dedicated team of value investing professionals



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Co-Chief Investment Officer



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Deputy Chairman and
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Frank TSUI
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Content

- Please pay particular attention to the risk of investment in China and other markets in the Asian region and in companies with medium or small capitalization. The value of the funds can be extremely volatile and could go down substantially within a short period of time. It is possible that the entire value of your investment could be lost.
- Value Partners High-Dividend Stocks Fund and Value Partners Greater China High Yield Income Fund may invest in higher-yielding debt and equity securities that are below investment grade; additionally, Value Partners Greater China High Yield Income Fund may invest in debt securities issued by special purpose vehicles. Such investments can involve material risks, e.g. counterparty risk, liquidity risk, credit risk and default risk, and may expose the Fund to significant losses.
- Investors should note that there is no guarantee that the underlying securities in Value Partners High-Dividend Stocks Fund and Value Partners Greater China High Yield Income Fund will pay out dividends. Therefore, there is no guarantee that those funds' investment strategies will succeed. There is also no guarantee of dividend or distribution payments during the period an investor holds units in such funds, and a positive dividend yield does not represent/imply positive return.
- Value Partners China A-Share Select Fund intends to invest predominantly in China A Shares directly, via its Manager's RQFII quota. Investors will be subject to certain risks including repatriation risk, custodial risk, regulatory risk and risks associated with the Manager's RQFII status. In addition, the RQFII policy and rules are relatively new and there may be uncertainty in implementation and such policy and rules are subject to change. All these may adversely impact the fund. The fund and its primary investments are denominated in RMB. RMB is currently not a freely convertible currency and is subject to foreign exchange control policies, as well as repatriation restrictions imposed by the PRC government. Investors whose base currencies of investments are not in RMB should take into account the potential risk of loss arising from fluctuations in value between such currencies and the RMB.
- The funds may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the funds to significant losses.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

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Value Partners Fund Offerings

Morningstar Rating™¹

As at 28-02-2019

China / Greater China equities strategy	Asia equities strategy
<p>Greater China</p> <ul style="list-style-type: none"> Value Partners Classic Fund ★★★★★ Value Partners China Greenchip Fund Limited ★★★★★ CIES Eligible* 	<ul style="list-style-type: none"> Value Partners High-Dividend Stocks Fund ★★★★★
<p>China</p> <ul style="list-style-type: none"> Value Partners Intelligent Funds – China Convergence Fund ★★★★★ Value Partners Intelligent Funds – Chinese Mainland Focus Fund ★★★★★ 	<p>Fixed income strategy</p> <ul style="list-style-type: none"> Value Partners Greater China High Yield Income Fund Value Partners Fund Series – Value Partners Asian Total Return Bond Fund
<p>China A-share</p> <ul style="list-style-type: none"> Value Partners Fund Series – Value Partners China A-Share Select Fund ★★★ RQFII 	<p>Multi-asset strategy</p> <ul style="list-style-type: none"> Value Partners Multi-Asset Fund Value Partners Fund Series – Value Partners Asian Income Fund
<p>Taiwan</p> <ul style="list-style-type: none"> Value Partners Taiwan Fund ★★★★★ 	

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*Value Partners China Greenchip Fund Limited is one of the eligible collective investment schemes for the purpose of the Hong Kong Capital Investment Entrant Scheme (CIES). The CIES was suspended by the Hong Kong Government with effect from 15 January 2015 until further notice.

Performance

	Inception date	Fund size	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 YTD	Since inception
Value Partners Classic Fund (A unit) Index^a	1 Apr 1993		5.8%	15.9%	41.8%	41.1%	-47.9%	82.9%	20.2%	-17.2%	14.0%	11.2%	13.5%	-1.5%	-3.2%	44.9%	-23.1%	18.5%	3,260.2%
Value Partners Classic Fund (B unit) Index^c	15 May 1996	USD 1,199.1 million (Total A, B & C units)	13.2%	10.2%	34.9%	44.8%	-46.1%	56.6%	8.3%	-17.3%	27.7%	6.8%	5.5%	-3.9%	4.3%	37.4%	-14.8%	12.9%	585.7%
Value Partners Classic Fund (C unit) Index^b	15 Oct 2009		13.2%	10.2%	34.9%	44.8%	-46.1%	56.6%	8.3%	-17.3%	27.7%	6.8%	5.5%	-3.9%	4.3%	37.4%	-14.8%	12.9%	308.4%
Value Partners China Greenchip Fund Limited+ Hang Seng Index*	8 Apr 2002	HKD 1,803.1 million	1.5%	16.1%	43.7%	36.3%	-57.4%	116.7%	37.8%	-25.0%	24.8%	16.5%	2.4%	-13.0%	-4.0%	38.4%	-23.4%	15.5%	523.1%
MSCI China Free HKD*			13.2%	8.4%	39.0%	43.4%	-46.4%	56.6%	8.6%	-17.0%	26.9%	6.6%	5.5%	-3.9%	4.3%	41.3%	-10.5%	11.1%	330.8%
MSCI China Free HKD*			2.0%	19.5%	83.4%	66.7%	-51.1%	62.4%	4.9%	-18.2%	22.0%	3.7%	8.0%	-7.9%	0.9%	55.3%	-18.8%	15.2%	683.4%
Value Partners Intelligent Funds -- China Convergence Fund	14 Jul 2000	USD 230.6 million	0.8%	3.9%	86.9%	56.6%	-45.2%	87.1%	21.3%	-22.4%	9.3%	9.2%	14.6%	-0.5%	-8.7%	41.3%	-13.2%	16.0%	1,798.9%
MSCI AC Asia Index^b			1.9%	19.8%	82.9%	66.2%	-50.8%	62.3%	4.6%	-18.4%	22.2%	3.6%	8.0%	-7.8%	0.9%	54.1%	-18.9%	14.9%	265.5%
Chinese Mainland Focus Fund	27 Nov 2003	USD 122.8 million	8.4%	11.6%	48.1%	56.0%	-44.8%	86.0%	23.9%	-17.8%	11.6%	8.5%	10.6%	1.7%	-10.3%	61.2%	-28.5%	17.2%	401.6%
MSCI China Index (Total Net Return)^{††}			1.9%	19.8%	82.9%	66.2%	-50.8%	62.3%	4.6%	-18.4%	22.7%	3.6%	8.0%	-7.8%	0.9%	54.1%	-18.9%	14.9%	456.6%
Value Partners Fund Series -- Value Partners China A-Share Select Fund	16 Oct 2014	RMB 566.6 million	-	-	-	-	-	-	-	-	-	-	18.1%	12.1%	-5.3%	27.1%	-22.3%	14.4%	41.8%
Value Partners Taiwan Fund	3 Mar 2008	USD 59.8 million	-	-	-	-	-35.7%	58.0%	19.2%	-13.0%	26.1%	13.7%	2.1%	-6.5%	16.2%	25.9%	-7.2%	4.4%	104.4%
Taiwan Stock Exchange Index			-	-	-	-	-42.4%	81.6%	13.3%	-19.7%	18.2%	12.2%	5.1%	-10.4%	17.8%	29.4%	-7.9%	6.7%	87.1%
MSCI Taiwan Index (Total Net Return)^{††}			-	-	-	-	-47.9%	76.4%	21.3%	-19.5%	16.9%	9.1%	9.4%	-11.7%	18.5%	27.5%	-8.9%	6.6%	66.7%
Value Partners High-Dividend Stocks Fund(Class A1)	2 Sep 2002	USD 2,740.2 million (Total Class A1, A2,MDIs & Z)	8.9%	12.2%	35.0%	44.2%	-46.8%	82.8%	25.8%	-11.9%	25.2%	8.1%	9.4%	-3.7%	-0.2%	32.9%	-14.2%	8.5%	797.0%
MSCI AC Asia (ex-Japan) Index (Total Net Return)^{††}			19.7%	20.1%	28.2%	34.8%	-54.1%	68.2%	15.2%	-16.6%	18.6%	3.4%	2.8%	-9.4%	6.4%	41.7%	-14.4%	9.5%	417.3%
Value Partners High-Dividend Stocks Fund(Class A2)	28 Sep 2012		-	-	-	-	-	-	-	-	7.2%	7.5%	9.4%	-3.8%	-0.3%	31.7%	-14.2%	8.5%	48.5%
Value Partners Greater China High Yield Income Fund (P USD Acc)	27 Mar 2012	USD 5,749.2 million	-	-	-	-	-	-	-	-	13.0%	1.2%	1.1%	6.1%	15.9%	10.1%	-4.9%	4.0%	54.8%
Value Partners Fund Series -- Value Partners Asian Total Return Bond Fund	9 Apr 2018	USD 57.4 million	-	-	-	-	-	-	-	-	-	-	-	-1.8%	-0.5%	16.0%	-10.7%	5.8%	7.1%
Value Partners Multi-Asset Fund	13 Oct 2015	USD 60.8 million	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.2%
Value Partners Fund Series -- Value Partners Asian Income Fund	13 Nov 2017	USD 91.2 million	-	-	-	-	-	-	-	-	-	-	-	-	2.5%	-3.9%	-3.9%	3.9%	2.3%

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg.

Unless otherwise stated, performance is calculated in USD, NAV to NAV, with dividends reinvested. Performance data is net of all fees. All indices are for reference only.

^a Index refers to MSCI AC Asia Pacific (ex-Japan) Index (Total Net Return) up to 30 Apr 2016, thereafter it is the MSCI AC Asia (ex-Japan) Index (Total Net Return) due to a change in investment profile. MSCI Total Net Return Indexes takes into account of dividend reinvestment after deduction of withholding tax.

^b Performance is calculated in HKD, NAV to NAV, with dividends reinvested. Performance data is net of all fees. Investors should note that figures for Non-Redeemable Class N shares shown above may differ from those of classes currently available for subscription (namely Class A and Class A2 QDIs), due to differences in launch date of these classes. For Class A, the since launch return is +76.3%.

^c Index refers to Hang Seng Index (Price Return) since fund inception till 31 Dec 2004, thereafter it is the Hang Seng Index (Price Return) which does not take into account reinvestment of dividends. With effect from 1 Oct 2017, it is the MSCI Golden Dragon Index (Total Net Return) which takes into account of dividend reinvestment whereas Hang Seng Index (Price Return) does not take into account reinvestment of dividends.

^d Hang Seng Index refers to Hang Seng Index (Price Return) which takes into account of dividend reinvestment after deduction of withholding tax.

^e Value Partners High-Dividend Stocks Fund (Class A1) includes dividend reinvestment whereas Hang Seng Index (Price Return) does not take into account reinvestment of dividends. MSCI China Index (Total Net Return) includes dividend reinvestment whereas Hang Seng Index (Price Return) does not take into account reinvestment of dividends.

^f MSCI China Index (Total Net Return) since fund inception to 31 Dec 2000, thereafter it is the MSCI China Index (Total Net Return) which takes into account of dividend reinvestment after deduction of withholding tax.

^g MSCI China Index (Total Net Return) since fund inception to 31 Dec 2000, thereafter it is the MSCI China Index (Total Net Return) which takes into account of dividend reinvestment after deduction of withholding tax.

^h Taiwan Stock Exchange Weighted Index (Total Return) (TAIEX). MSCI Taiwan Index (Total Net Return) which takes into account of dividend reinvestment after deduction of withholding tax.

ⁱ Disclaimer: Investors should note investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. Information in this report has been obtained from sources believed to be reliable but we do not warrant its accuracy or completeness. No part of this document, or any information contained herein, may be distributed, reproduced, taken or transmitted into the United States or its territories or possessions. Any failure to comply with the restrictions may constitute a violation of the relevant laws.

Value Partners Classic Fund

NAV per unit: **A Units - USD336.02** | **B Units - USD149.65** | **C Units - USD18.77**
Fund size : **USD1,199.1 million**

★★★★★
Morningstar Rating™¹
As at 28-02-2019

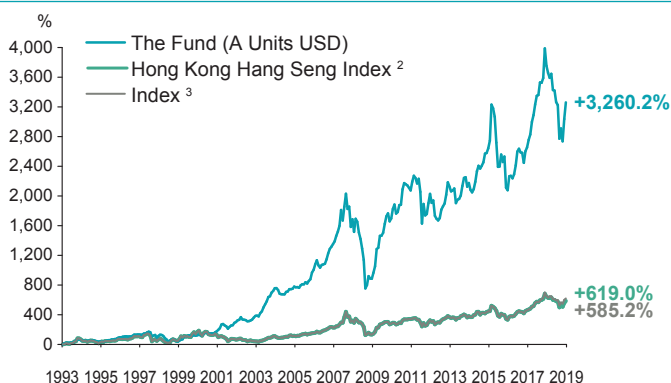
February 2019

- Value Partners Classic Fund (The "Fund") primarily invests in markets of the Asia-Pacific region, with a Greater China focus.
- The Fund invests in China-related companies and emerging markets which involve certain risks not typically associated with investment in more developed markets, such as greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund is also subject to concentration risk due to its concentration in Asia-Pacific region, particularly China-related companies. The value of the Fund can be extremely volatile and could go down substantially within a short period of time. It is possible that the entire value of your investment could be lost.
- The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- In respect of the distribution units for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Fund aims to achieve consistent superior returns through an investment discipline that places emphasis on the fundamental value of potential investments, which the Manager believes are being traded at deep discounts to their intrinsic values. The Fund will concentrate on investing in the markets of the Asia Pacific region (particularly in Greater China region) but without fixed geographical, sectoral or industry weightings.

Performance since launch



NAVs & codes

Classes ⁴	NAV	ISIN	Bloomberg
A Units USD	336.02	HK0000264868	VLPARA HK
B Units USD	149.65	HK0000264876	VLPARBI HK
C Units USD	18.77	HK0000264884	VLPARCI HK
C Units HKD ⁵	147.3379	HK0000264884	VLPARCI HK
C Units RMB	13.04	HK0000264926	VLCHCRM HK
C Units AUD Hedged	15.40	HK0000264892	VLCHAUD HK
C Units CAD Hedged	14.99	HK0000264900	VLCHCAD HK
C Units HKD Hedged	12.66	HK0000264934	VLCHCHH HK
C Units NZD Hedged	15.95	HK0000264918	VLCHNZD HK
C Units RMB Hedged	13.02	HK0000264942	VLCHCRH HK
C Units MDis USD	8.79	HK0000360880	VLCCMDU HK
C Units MDis HKD	8.78	HK0000360898	VLCCMDH HK
C Units MDis RMB	8.71	HK0000362241	VLCCMDR HK
C Units MDis RMB Hedged	8.65	HK0000362258	VLCCMRH HK

The Fund – A Units USD: Monthly performance from 1 Jan 2009 to 28 Feb 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2009	-3.2%	-0.2%	+8.2%	+8.2%	+20.1%	+1.3%	+11.5%	+0.1%	+2.5%	+7.5%	+5.9%	+2.2%	+82.9%
2010	-5.8%	+2.2%	+7.1%	+3.1%	-6.1%	+1.1%	+5.0%	+0.2%	+10.5%	+3.8%	-0.7%	-0.7%	+20.2%
2011	-1.5%	-1.6%	+5.4%	+3.5%	-1.3%	-3.2%	+2.8%	-7.5%	-19.8%	+15.3%	-7.8%	+1.0%	-17.2%
2012	+7.8%	+6.3%	-5.7%	+1.6%	-10.2%	-2.1%	-1.3%	+1.7%	+6.4%	+2.3%	+1.9%	+5.9%	+14.0%
2013	+7.9%	-2.5%	-2.9%	+0.6%	+1.2%	-9.0%	+2.3%	+0.5%	+2.2%	+6.2%	+4.8%	+0.4%	+11.2%
2014	-5.5%	+2.3%	-4.0%	-1.6%	+2.0%	+4.6%	+6.2%	+3.0%	-1.5%	+1.6%	+1.9%	+4.6%	+13.5%
2015	+0.3%	+2.4%	+3.7%	+17.1%	-1.5%	-3.5%	-11.0%	-11.6%	+0.2%	+6.5%	-3.8%	+2.9%	-1.5%
2016	-15.9%	-1.5%	+8.7%	+0.2%	-1.4%	+2.4%	+5.0%	+7.4%	+1.4%	-1.8%	-0.2%	-5.0%	-3.2%
2017	+6.1%	+1.9%	+3.7%	+2.6%	+5.7%	+3.0%	+4.5%	+3.5%	+0.3%	+4.9%	-0.1%	+1.8%	+44.9%
2018	+10.8%	-5.7%	-2.5%	-1.8%	+1.5%	-5.8%	-0.2%	-4.4%	-1.1%	-13.7%	+4.8%	-5.8%	-23.1%
2019 (YTD)	+10.6%	+7.2%											+18.5%

¹ Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

Top 10 securities holdings

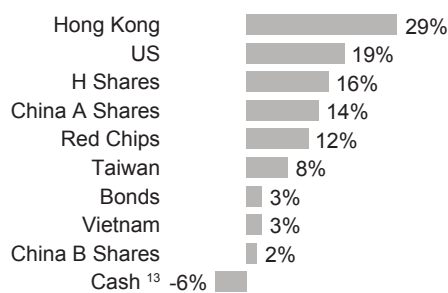
Name	Industry ¹⁰	% ¹²
Alibaba Group Holding Ltd	Retailing	7.5
Pinduoduo Inc	Retailing	6.1
SIIC Environment Holdings Ltd	Utilities	5.3
Tencent Music Entertainment Group	Media & entertainment	5.0
CSPC Pharmaceutical Group Ltd	Pharmaceuticals, biotechnology & life sciences	4.7
Industrial & Commercial Bank of China Ltd	Banks	3.6
Wuliangye Yibin Co Ltd	Food, beverage & tobacco	3.6
AviChina Industry & Technology Co Ltd	Capital goods	3.4
Taiwan Semiconductor Manufacturing Co Ltd	Semiconductors & semiconductor equipment	3.3
3SBio Inc	Pharmaceuticals, biotechnology & life sciences	3.1

These stocks constitute 46% ¹² of the Fund.

Portfolio characteristics

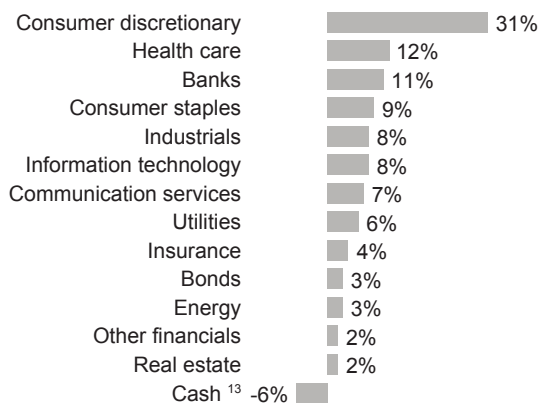
As at 28 Feb 2019	2019 ¹¹
Price/earnings ratio	13.0 times
Price/book ratio	1.6 times
Portfolio yield	3.0%

Geographical exposure by listing ¹²



Short exposure includes: United States, -1.5%; Hong Kong, -1.4%; Taiwan, -0.5% and H Shares -0.4%.

Sector exposure ^{10, 12}



Total short exposure is -3.8%.

Short exposure includes: Communication services, -1.0%; Real estate, -0.6%; Consumer discretionary, -0.5%; Derivatives, -0.5%; Health care, -0.5%; Industrials, -0.4% and Utilities, -0.3%.

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. © 2019 Morningstar, Inc. All Rights Reserved (for A Units). 2. Hang Seng Price Return Index was used till 31 Dec 2004, thereafter it is the Hang Seng Total Return Index. Hang Seng Total Return Index takes into account of dividend reinvestment whereas Hang Seng Price Return Index does not. 3. Index refers to Hang Seng Index (Price Return) since fund inception till 31 Dec 2004, thereafter it is the Hang Seng Index (Total Return) up to 30 Sep 2017. Hang Seng Index (Total Return) includes dividend reinvestment whereas Hang Seng Index (Price Return) does not take into account reinvestment of dividends. With effect from 1 Oct 2017, it is the MSCI Golden Dragon Index (Total Net Return), which takes into account of dividend reinvestment after deduction of withholding tax. 4. Each hedged share class will hedge the Fund's base currency back to its currency of denomination on a best efforts basis. However, the volatility of the hedged classes measured in the Fund's base currency may be higher than that of the equivalent class denominated in the Fund's base currency. The AUD/CAD/NZD/RMB Hedged Classes are not recommended for investors whose base currency of investment is not in the aforesaid currencies. 5. Investors should note that the base currency of "C" Units is in USD. The HKD is for reference only and should not be used for subscription or redemption purpose. Conversion to the base currency of "C" Units will normally take place at the prevailing rate (as determined by the Fund's Trustee or Custodian) on the corresponding fund dealing day. Investor should be aware of possible risks resulting from fluctuations of exchange rates against USD. 6. Calculated based on the since inception return of C Units. 7. The Manager currently intends to make monthly dividend distribution in respect of the C Unit MDIs Classes; actual dividend payout will be subject to the Manager's discretion. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount that have been originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units. Please refer to the explanatory memorandum for more details. 8. The receiving bank may charge a fee for incoming payments. Such fees will reduce the actual amount of dividends received by the investor. 9. Annualized yield of MDIs Class is calculated as follows: (Latest dividend amount/NAV as at ex-dividend date) x 12. Investors should note that yield figures are estimated and for reference only and do not represent the performance of the Fund, and that there is no guarantee as to the actual frequency and/or amount of dividend payments. 10. Classification is based on Global Industry Classification Standard (GICS). 11. The profile is based on market consensus forecast as derived from S&P Capital IQ and Bloomberg. Harmonic mean methodology is applied to calculate the forecast P/E ratio and P/B ratio. Note that the manager's internal estimates may differ significantly from S&P Capital IQ and Bloomberg estimates. 12. Exposure refers to net exposure (long exposure minus short exposure). Exposure of equity swaps is measured by the value of the underlying stock holdings. (Due to rounding, percentages shown may not add up to 100%). 13. Cash refers to net cash on hand excluding cash for collaterals and margins. 14. Performance fee will only be charged if the NAV at the end of the financial year or upon realization of units exceeds the "high watermark", which is the all-time year-end high of the Fund's NAV. If in any one year, the Fund suffers a loss, no performance fee can be charged in subsequent years until the loss is recovered fully (the high-on-high principle). 15. The award reflects performance up to 30 September 2018. 16. The award reflects performance up to 31 December 2017. 17. The award recognises listed companies that were able to demonstrate outstanding business performance, create value for investors and showcase strong corporate governance over the past year. The award was bestowed on 5 November 2018. 18. For Hong Kong investors only.

Investors should note investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. Information in this report has been obtained from sources believed to be reliable but Value Partners Hong Kong Limited does not guarantee the accuracy or completeness of the information provided by third parties. Investors should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you. For Singapore investors: The Fund is registered as a restricted foreign scheme in Singapore and will only be distributed to (i) institutional investors and (ii) accredited investors and certain other persons in Singapore in accordance with section 304 and 305 of the Securities and Futures Act. Value Partners Asset Management Singapore Pte Ltd, Singapore Company Registration No. 200808225G. This advertisement has not been reviewed by the Monetary Authority of Singapore. This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Hong Kong Limited.

Fund facts

Manager:	Value Partners Hong Kong Limited
Base currency:	USD
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Custodian:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	A Units USD - 1 Apr 1993 B Units USD - 15 May 1996 C Units USD - 15 Oct 2009 C Units AUD/CAD/NZD Hedged - 17 Mar 2014 C Units RMB Hedged - 28 Oct 2015 C Units HKD Hedged - 30 Nov 2015 C Units RMB - 1 Dec 2015 C Units MDis USD - 16 Oct 2017 C Units MDis HKD - 16 Oct 2017 C Units MDis RMB - 16 Oct 2017 C Units MDis RMB Hedged - 16 Oct 2017
Dividend Policy ⁷ :	C Units MDis – aim at monthly distribution, subject to Manager's discretion

A, B and C units are invested in the same fund, A and B units were no longer issued from 12 Apr 2002 and 15 Oct 2009 respectively. Only C units are currently available.

Fee structure

	A Units	B Units	C Units
Minimum subscription	Closed	Closed	USD10,000 or equivalent
Minimum subsequent subscription	Nil	Nil	USD5,000 or equivalent
Subscription fee	Closed	Closed	up to 5%
Management fee	0.75% p.a.	1.25% p.a.	1.25% p.a.
Performance fee ¹⁴	15% of profit (High-on-high principle)		
Redemption fee	Nil		
Dealing day	Daily redemption	Daily redemption	Daily dealing

Senior investment staff

Chairman & Co-Chief Investment Officer: Cheah Cheng Hye

Deputy Chairman & Co-Chief Investment Officer: Louis So

Deputy Chief Investment Officer: Renee Hung

Senior Investment Director: Norman Ho, CFA

Investment Directors: Chung Man Wing; Michelle Yu, CFA; Yu Xiao Bo

Senior Fund Managers: Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho;

Glenda Hsia; Amy Lee, CFA, CAIA; Philip Li, CFA; Luo Jing, CFA; Yu Chen Jun

Key corporate awards



Benchmark Fund of the Year Awards 2018,

Hong Kong

Asia ex-Japan Equity Category: Best-in-Class ¹⁵

~ Benchmark

I&M Professional Investment Awards 2018

House Performance Awards:

Offshore China Equity (10-year) ¹⁶

~ Insights & Mandate

Listed Company Awards of Excellence 2018

Outstanding Listed Company

(Main Board Category) ¹⁷

~ Hong Kong Economic Journal

Scan QR code for fund documents¹⁸:



Value Partners Classic Fund Commentary / Fourth Quarter 2018

- Value Partners Classic Fund (The “Fund”) primarily invests in markets of the Asia-Pacific region, with a Greater China focus.
- The Fund invests in China-related companies and emerging markets which involve certain risks not typically associated with investment in more developed markets, such as greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund is also subject to concentration risk due to its concentration in Asia-Pacific region, particularly China-related companies. The value of the Fund can be extremely volatile and could go down substantially within a short period of time. It is possible that the entire value of your investment could be lost.
- The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- In respect of the distribution units for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

The Greater China equities market endured a difficult year in 2018, with the MSCI Golden Dragon Index losing 14.8% amidst volatile conditions marked by rising geo-political tensions, the US-China trade dispute and concerns over China’s moderating economic growth.

Unexpected trade policy headwinds

2018 was one of the most volatile calendar years since 2008, as unexpected trade policy headwinds and China’s efforts to deleverage its economy formed a dismal combination that sent shockwaves across markets.

While China’s economic slowdown due to the effects of tightening financial regulations was expected, few could have predicted the scale and severity of the US-China trade dispute that erupted in the middle of the year. Subsequent developments in the form of tariff announcements and negative rhetoric from both countries compounded China’s slowing economy, triggering a massive negative reaction from the market.

From an overarching perspective, we believe it is to the benefit of both countries to come to an amicable agreement and the 90-day truce announced in December is a step in the right direction. However, it is important to point out that there are a number of key differences in US-China trade policies and beliefs. Whether or not they can be resolved in the 90-day period remains to be seen and any news arising from the negotiations is likely to be heavily scrutinised by the markets. This adds a layer of complexity to an already delicate market backdrop, in particular for the first half of 2019.

China’s economic slowdown

Consequently, we expect the challenging economic environment to remain a consistent theme in 2019 even though China’s deleveraging policies have indeed made progress with slowing real sector debt growth and declining shadow credit. That is because the deleveraging process has also brought about tightened liquidity and financing conditions, which increases overall credit risk as reflected by a rise in the number of financial product defaults.

Moreover, the tightened financing conditions have also resulted in a significant decline in fixed asset investments, which added further downside pressure on the Chinese economy. To compound matters, there are also signs that household consumption – an important indicator of China’s increasingly consumption-based economy – is also facing downside pressure with some durable sales softening in 2018.

One silver lining is China’s increasingly flexible policy approach. The Chinese authorities have shown its willingness to step up supportive policies as and when they are needed, which includes accelerating spending

on infrastructure, easing monetary policies to increase lending to small and medium-sized firms as well as income tax breaks to boost consumption.

We believe China has enough policy ammunition in its arsenal and part of the liquidity released by the expansionary monetary policies introduced will find its way to support the property market, which is an integral pillar of the Chinese economy. But even if the economy is to moderate to, for example, 6% GDP growth, China would still be growing at a much faster pace than most developed economies.

Portfolio strategy review

The Value Partners Classic Fund (the “Fund”) lost 14.7% in the fourth quarter and declined by 23.1% in 2018. For reference, the MSCI Golden Dragon Index dropped 10.3% in the fourth quarter and fell 14.8% in 2018.

In 2018, the portfolio remained well-invested following what was a strong 2017. In hindsight, we should have increased the portfolio’s cash level although the persistent back-and-forth between the US and China meant we did not hold a strong conviction to go on the defensive. Our lower technology exposure and rotation into quality businesses, in particular consumption-related stocks, helped protect the portfolio during the early parts of the year.

As markets took on a significantly more cautious tone later in the year, one of our key positioning - Chinese education sector – had to face significant policy headwinds. A new set of draft implementation rules meant greater tax impact for certain education companies even though the sector remains structurally important to China. Despite the uncertainties, a couple of our key Chinese education stocks remained key performance contributors to the portfolio. Meanwhile, select positions in auto manufacturers, for example, detracted due to the opening up of the industry on the back of pressure from the trade war.

Investment Case: CSPC Pharmaceutical Group Ltd. (1093 HK)

The healthcare sector was a key contributor to our portfolio in 2018. Despite a constructive overall outlook, the sector had a somewhat bumpy year, outperforming the market in the early parts of 2018 before being hit by a correction in the second half as a result of a vaccination scandal and price cutting policies concerning generic drugs.

We were selective in terms of our healthcare sector investment strategy, with our investment in CSPC among the key performance contributors. CSPC is one of the leading biopharmaceutical companies in China and it is also one of the largest suppliers of vitamin C and caffeine globally¹. The company possesses strong R&D capabilities for innovative drug developments and its flagship products in oncology drugs also recorded resilient growth (over 100% year-on-year growth in the first three quarters of 2018). The company’s M&A strategy has also strengthened its R&D capabilities and product pipeline expansion. Supported by its innovative drugs, CSPC is less affected by the latest 4+7 GPO program, which puts pricing pressure on generic drugs, and allows it to have better pricing power over its peers.

Outlook

The macro uncertainty in 2018 is likely to spill over into the first half of 2019. The continued slowdown of economic growth in the region together with the uncertain trade policy outlook shall continue to create a volatile market backdrop. We shouldn’t be too bearish, however, as China embarks on a more accommodative policy approach, while US monetary policies are expected to be less hawkish.

Investor sentiment has already fallen to fairly gloomy levels although the MSCI China Index’s 12-month forward P/E of 10.1x² (close to 1 standard deviation below the 10-year average) does reflect a respectful margin of safety. The combination of low valuations and positive earnings growth helps to paint a more constructive 2019 outlook for the equity market.

Value Partners Investment Team
18 January 2019

1. Source: CSPC 2018 Interim Report
2. Source: MSCI

Fund performance mentioned referred to Value Partners Classic Fund “A” Unit. All performance figures are sourced from HSBC Institutional Trust Services (Asia) Limited and Bloomberg (Data computed in US\$ terms on NAV-to-NAV basis with dividends reinvested) as at 31 December 2018. Performance data is net of all fees.

Individual stock performance is not indicative of fund performance.

The views expressed are the views of Value Partners Hong Kong Limited only and are subject to change based on market and other conditions. The information provided does not constitute investment advice and it should not be relied on as such. All materials have been obtained from sources believed to be reliable, but their accuracy is not guaranteed. This material contains certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected.

Investors should note that investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. Investors should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.

For Singapore investors: The Fund is registered as a restricted foreign scheme in Singapore and will only be distributed to (i) institutional investors and (ii) accredited investors and certain other persons in Singapore in accordance with section 304 and 305 of the Securities and Futures Act. Value Partners Asset Management Singapore Pte Ltd, Singapore Company Registration No. 200808225G.

This commentary has not been reviewed by the Securities and Futures Commission. Issuer: Value Partners Hong Kong Limited.

Value Partners Classic Fund: 10 biggest holdings of securities as at 31 December 2018

Stock	Industry	Valuation (2019 Estimates)	Remarks
AIA Group (Code: 1299 HK) Market cap: US\$100.2 billion	Insurance	Price: USD65.00 P/EV*: 1.7x P/E: 15.8x P/B: 2.1x Yield: 2.1%	<ul style="list-style-type: none"> AIA is the largest independent publicly listed pan-Asian life insurance group – with a presence in 18 markets across the Asia-Pacific region. We expect AIA China to deliver superior new business growth of more than 40% in 2018-19E, as the company’s protection-oriented business in China is more resilient than most of its domestic peers. China will allow foreign insurers to own a majority stake in local joint ventures in 2019-2020 and fully open the sector by 2021-22. This will provide further long-term growth potential for AIA in China.
Alibaba Group (Code: BABA US) Market cap: US\$355.3 billion	Retailing	Price: USD137.07 P/E: 31.2x P/B: 6.9x Yield: 0%	<ul style="list-style-type: none"> Alibaba, founded by Jack Ma in 1999 in China, is one of the world’s largest eCommerce companies. Alibaba’s online marketplace - “Taobao” and “Tmall”- contribute the vast majority of the company’s revenue and is likely to continue delivering solid growth in view of its dominant position, advanced technology and the trend of merchants shifting marketing budgets online from offline. The company’s cloud computing company (“AliCloud”) and fintech business (“Ant Financial”) are underpinning future growth potential. We are positive about the long-term performance of its stock price because: 1) we believe Alibaba would deliver continued high growth of core commerce, as it continues to improve targeting technology and logistic network; 2) Cloud is likely to be another long-term growth driver as more enterprises are starting to embrace cloud services to cut cost and leverage the company’s big data technology; 3) we expect it to spin-off high value assets (e.g. Ant Financial, 33% owned by Alibaba) to unlock hidden values.
AviChina Industry & Technology Co Ltd (Code: 2357 HK) Market cap: US\$3.9 billion	Capital goods	Price: HKD4.92 P/E: 16.2x P/B: 1.5x Yield: 0.8%	<ul style="list-style-type: none"> AviChina principally engages in the research, development, manufacture and sale of aviation products. The company’s main products include helicopters, aircrafts, trainers as well as aero-related parts and components. The company offers a broad exposure to the defense and civil aviation industry in China and is one of the very few stocks listed in Hong Kong to be able to provide such exposure. While China’s defense industry is currently in the midst of reforms, it remains a key component of national policies.

Stock	Industry	Valuation (2019 Estimates)	Remarks
Beijing Tong Ren Tang Chinese Medicine (Code: 3613 HK) Market cap: US\$1.3 billion	Pharmaceutical	Price: HKD12.31 P/E: 15.3x P/B: 4.0x Yield: 2.1%	<ul style="list-style-type: none"> Headquartered in Hong Kong, Beijing Tong Ren Tang Chinese Medicine is a distributor engaged in both retail and wholesale of Chinese medicine products in Hong Kong, Macau, and other overseas markets operating under the “Tong Ren Tang” brand. The company’s business spans over 10 countries and regions and sells over 2,000 Chinese medicine products. As the company will change to list in the main board of the Hong Kong stock exchange soon, its valuation and liquidity are expected to improve.
CSPC Pharmaceutical Group Ltd (Code: 1093 HK) Market cap: US\$9.0 billion	Pharmaceuticals, Biotechnology	Price: HKD11.3 P/E: 15.3x P/B: 3.4x Yield: 2.2%	<ul style="list-style-type: none"> CSPC is one of the leading biopharmaceutical companies in China and it is also the largest supplier of vitamin C and caffeine globally. The company possesses strong R&D capabilities for innovative drug developments and its flagship products in oncology drugs also recorded resilient growth (over 100% year-on-year growth in the first three quarters of 2018). The company’s M&A strategy has also strengthened its R&D capabilities and product pipeline expansion. Supported by its innovative drugs, CSPC is less affected by the latest 4+7 GPO program, which puts pricing pressure on generic drugs, and allows it to have better pricing power over its peers.
Huaneng Renewables Corp Ltd (Code: 958 HK) Market cap: US\$2.8 billion	Utilities	Price: HKD2.10 P/E: 5.0x P/B: 0.6x Yield: 3.0%	<ul style="list-style-type: none"> Huaneng Renewables principally engages in the wind power generation businesses. The businesses of the company include the development and operation of wind power plants and solar power plants, electricity generation and the sales of electricity, as well as the provision of related services, among others. We expect the government to provide more clarity on clean energy subsidies soon, which will likely help renewable companies regain their growth momentum.
Industrial & Commercial Bank of China (Code: 1398 HK) Market cap: US\$269.3 billion	Banks	Price: HKD5.59 P/E: 5.5x P/B: 0.7x Yield: 5.6%	<ul style="list-style-type: none"> Industrial and Commercial Bank of China (“ICBC”) is one of China’s biggest banks and one of the largest in the world. The Chinese government controls about 70% of ICBC. The bank provides various financial products and services worldwide, covering corporate, retail, and investment banking as well as asset management, trust, financial leasing and insurance.

Stock	Industry	Valuation (2019 Estimates)	Remarks
SIIC Environment (Code: 807 HK) Market cap: US\$0.5 billion	Utilities	Price: HKD1.55 P/E: 6.1x P/B: 0.4x Yield: 2.2%	<ul style="list-style-type: none"> SIIC Environment is a Singapore& HK dual listed company, which conducts operations in wastewater treatment, water purification treatment and system automation in China. Being a state-owned enterprise, SIIC enjoys strong support from banks and local governments, signifying it has the potential to become one of the leading water companies in China. The company's accounting policy is more conservative than local peers, implying a high quality of earnings. As the Chinese government is increasingly paying attention to water quality and environment protection, the company is set to benefit from further environmental protection policies.
Taiwan Semiconductor Manufacturing (Code: 2330 TT) Market cap: US\$191.5 billion	Semiconductors and Semiconductor Equipment	Price: TWD225.50 P/E: 15.4x P/B: 3.2x Yield: 4.2%	<ul style="list-style-type: none"> Taiwan Semiconductor Manufacturing is a world-class independent semiconductor foundry. It provides integrated circuit ("IC") design houses with integrated services for process design, wafer manufacturing and testing. As a global leader with more than 50% share of the outsourcing market, the company has consistently outperformed competitors in terms of technology and profitability. We think the company is well-positioned to continue to benefit from the growing IC manufacturing outsourcing market and the rising demand for the internet of things trend, AI chips and new application areas.
Techtronic Industries Co (Code: 669 HK) Market cap: US\$ 9.7 billion	Consumer durables and apparel	Price: HKD41.6 P/E: 14.8x P/B: 2.7x Yield: 2.5%	<ul style="list-style-type: none"> Techtronic Industries ("TTI") is a global leader in designing, manufacturing and selling home-improvement products, including power tools, outdoor power equipment and floor-care appliances. TTI benefits from strong US housing market and Home Depot sales, its innovative cordless and smart power tool products helped market share gain as well as margins expansion. Floor-care business turning around shall continuously underpin the earnings growth sustainability.

*EV = Embedded Value

Note: The above investments made up 36.8% of Value Partners Classic Fund as at 31 December 2018. The stock prices are based on the closing of 31 December 2018.

Individual stock performance/yield is not necessarily indicative of overall fund performance.

Value Partners China Greenchip Fund Limited

NAV per share : Class A - HKD62.31 | Class A2 QDis - HKD10.95

Fund size : USD229.7 million (HKD1,803.1 million)

★ ★ ★
Morningstar Rating™¹
As at 28-02-2019

CIES Eligible*

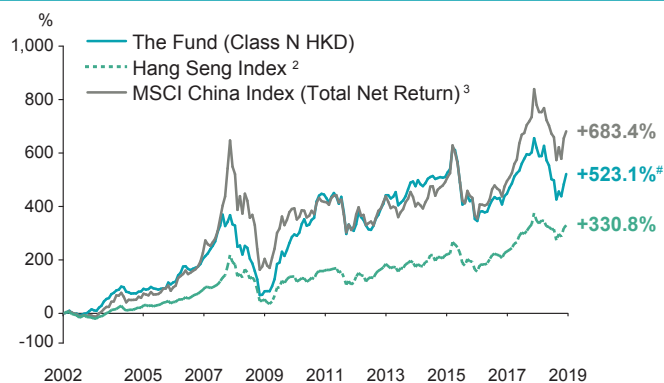
February 2019

- Value Partners China Greenchip Fund Limited (The "Fund") invests primarily in companies established in Greater China or which derive a majority of their revenue from business related to Greater China.
- The Fund invests in China, China-related companies and medium or small capitalization companies and is therefore subject to emerging market and concentration risks. The value of the Fund can be extremely volatile and could go down substantially within a short period of time. It is possible that the entire value of your investment could be lost.
- The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- In respect of the distribution shares for the Fund, the Manager currently intends to make quarterly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of shares.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Fund aims to achieve medium-term capital growth by means of investing in companies established in Greater China or which derive a majority of their revenue from business related to Greater China, whether in the form of direct investment in, or trade with, Greater China. This includes companies incorporated and/or listed outside Greater China.

Performance since launch



Performance update

	Class A HKD	Class A2 QDis HKD	MSCI China Index (Total Net Return) 3	Hang Seng Index 2
One month	+6.6%	+6.6%	+3.5%	+2.7%
Year-to-date	+15.5%	+15.4%	+15.2%	+11.1%
One year	-13.6%	-13.6%	-11.2%	-3.8%
Three years	+39.6%	+39.1%	+71.9%	+67.8%
Five years	+3.8%	+3.4%	+52.3%	+51.4%
Since launch	+523.1%#	+18.1%	+683.4%	+330.8%
Annualized return ^	+11.4%	+3.0%	+12.9%	+9.0%
Annualized volatility ^	21.4%	16.8%	24.5%	19.6%

The Fund – Class A HKD: Monthly performance from 1 Jan 2009 to 28 Feb 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2009	+0.2%	-0.2%	+10.2%	+13.1%	+25.0%	+1.9%	+14.0%	-4.8%	+6.9%	+7.9%	+6.2%	+2.5%	+116.7%
2010	-1.3%	+3.0%	+8.1%	+4.2%	-5.4%	+0.9%	+4.2%	+1.7%	+13.4%	+4.2%	+1.3%	-0.5%	+37.8%
2011	-2.6%	-2.9%	+4.0%	+2.7%	-2.5%	-5.0%	+5.1%	-10.5%	-17.2%	+8.8%	-3.4%	-2.1%	-25.0%
2012	+6.0%	+10.5%	-3.9%	-2.4%	-4.6%	-3.2%	-0.5%	+3.7%	+6.3%	+3.1%	+4.9%	+3.7%	+24.8%
2013	+6.4%	+0.0%	-2.2%	+1.2%	+3.3%	-8.9%	+1.8%	+1.7%	+3.0%	+4.8%	+4.5%	+0.7%	+16.5%
2014	-3.0%	+4.0%	-2.6%	-1.2%	+1.9%	+2.9%	+1.1%	+0.6%	-1.8%	+0.6%	+0.6%	-0.4%	+2.4%
2015	+0.4%	+2.9%	+2.0%	+12.6%	-1.4%	-6.2%	-11.7%	-13.9%	+1.5%	+5.0%	-3.8%	+1.7%	-13.0%
2016	-14.3%	-1.7%	+7.8%	+0.4%	-0.9%	+0.6%	+5.1%	+3.8%	+2.2%	-1.2%	+0.6%	-4.5%	-4.0%
2017	+6.2%	+1.7%	+4.0%	+2.8%	+4.5%	+2.0%	+1.5%	+4.2%	+2.7%	+2.5%	-0.3%	+1.3%	+38.4%
2018	+7.6%	-4.8%	-4.3%	+0.1%	+5.6%	-7.5%	-2.8%	-7.9%	-0.7%	-12.0%	+5.6%	-3.2%	-23.4%
2019 (YTD)	+8.3%	+6.6%											+15.5%

* Value Partners China Greenchip Fund Limited is one of the eligible collective investment schemes for the purpose of the Hong Kong Capital Investment Entrant Scheme (CIES). The CIES was suspended by the Hong Kong Government with effect from 15 Jan 2015 until further notice.

^ Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

Investors should note that figures are for Non-Redeemable Class N shares which may differ from those of classes currently available for subscription (namely Class A and Class A2 QDis), due to differences in launch date. For Class A, the since launch return, annualized return and annualized volatility are +76.3%, +4.9% and 23.3% respectively.

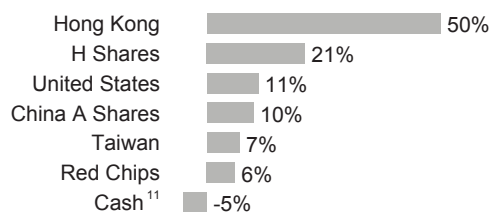
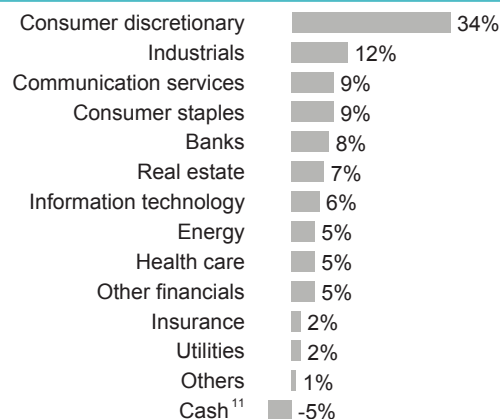
Top 10 securities holdings (as at 31 Jan 2019)

Name	Industry ⁸	%
Alibaba Group Holding Ltd	Retailing	5.3
Industrial and Commercial Bank of China Ltd	Banks	3.9
CSPC Pharmaceutical Group Ltd	Pharmaceuticals, biotechnology & life sciences	3.4
Cafe de Coral Holdings Ltd	Consumer services	3.3
HKT Trust and HKT Ltd	Telecom services	3.2
China Construction Bank Corporation	Banks	3.0
Kerry Logistics Network Ltd	Transportation	3.0
Sands China Ltd	Consumer services	3.0
CK Asset Holdings Ltd	Real estate	2.9
CNOOC Ltd	Energy	2.8

These stocks constitute 34% of the Fund.

Portfolio characteristics

As at 28 Feb 2019	2019 ⁹
Price/earnings ratio	11.3 times
Price/book ratio	1.4 times
Portfolio yield	3.6%

Geographical exposure by listing¹⁰Sector exposure^{8, 10}

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. © 2019 Morningstar, Inc. All Rights Reserved. 2. Hang Seng Index refers to Hang Seng Index (Price Return) up to 31 Dec 2004, thereafter it is the Hang Seng Index (Total Return). Hang Seng Index (Total Return) includes dividend reinvestment whereas Hang Seng Index (Price Return) does not take into account reinvestment of dividends. 3. MSCI China Index (Total Net Return) since fund inception to present which takes into account of dividend reinvestment after deduction of withholding tax. 4. The Manager currently intends to make quarterly dividend distribution in respect of the A2 QDis Class; actual dividend payout will be subject to the Manager's discretion. 5. The receiving bank may charge a fee for incoming payments. Such fees will reduce the actual amount of dividends received by the investor. 6. Annualized yield of QDis Class is calculated as follows: (Latest dividend amount / NAV as at ex-dividend date) x 4. Investors should note that yield figures are estimated and for reference only and do not represent the performance of the Fund, and that there is no guarantee as to the actual frequency and/or amount of dividend payments. 7. Each hedged share class will hedge the Fund's base currency back to its currency of denomination on a best efforts basis. However, the volatility of the hedged classes measured in the Fund's base currency may be higher than that of the equivalent class denominated in the Fund's base currency. The AUD/CAD/NZD Hedged Classes are not recommended for investors whose base currency of investment is not in the aforesaid currencies. 8. Classification is based on Global Industry Classification Standard (GICS). 9. The profile is based on market consensus forecast as derived from S&P Capital IQ and Bloomberg estimates. 10. Exposure refers to net exposure (long exposure minus short exposure). Due to rounding, percentages shown may not add up to 100%. 11. Cash refers to net cash on hand excluding cash for collaterals and margins. 12. Investors should note that the base currency of the Fund is in HKD. Conversion to the base currency of the Fund will normally take place at the prevailing rate (as determined by the Fund's Trustee or Custodian) on the corresponding fund dealing day. Investors should be aware of possible risks resulting from fluctuations of exchange rates against USD/AUD/CAD/NZD. 13. Performance fee will only be charged if the NAV at the end of the financial year or upon realization of units exceeds the "high watermark", which is the all-time year-end high of the Fund's NAV. If in any one year, the Fund suffers a loss, no performance fee can be charged in subsequent years until the loss is recovered fully (the high-on-high principle). 14. The award reflects performance up to 30 September 2018. 15. The award reflects performance up to 31 December 2017. 16. The award recognises listed companies that were able to demonstrate outstanding business performance, create value for investors and showcase strong corporate governance over the past year. The award was bestowed on 5 November 2018.

Investors should note investment involves risk. The price of shares may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. Information in this report has been obtained from sources believed to be reliable but Value Partners Limited does not guarantee the accuracy or completeness of the information provided by third parties. Investors should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.

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This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Limited.

Fund facts

Manager:	Value Partners Limited
Base currency:	HKD
Administrator:	HSBC Trustee (Cayman) Limited
Custodian:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	Class N - 8 Apr 2002 (Closed) Class A - 27 Mar 2007 Class A2 QDis - 22 Jul 2013 Class A AUD / CAD / NZD / USD - 26 May 2014
Dividend policy ⁴ :	Class A2 QDis - aim at quarterly distribution, subject to Manager's discretion

Non-Redeemable Class N shares are closed for subscription from 26 Mar 2007; existing and new investors may subscribe for Class A or A2 QDis shares.

Fee structure (Class A and Class A2 QDis)

Minimum subscription	HKD80,000 or equivalent ¹²
Minimum subsequent subscription	HKD40,000 or equivalent ¹²
Subscription fee	Up to 5%
Management fee	1.5% p.a.
Performance fee ¹³	15% of profit (High-on-high principle)
Redemption fee	Nil
Dealing day	Daily

Senior investment staff

Chairman & Co-Chief Investment Officer: Cheah Cheng Hye

Deputy Chairman & Co-Chief Investment Officer: Louis So

Deputy Chief Investment Officer: Renee Hung

Senior Investment Director: Norman Ho, CFA

Investment Directors: Chung Man Wing; Michelle Yu, CFA; Yu Xiao Bo

Senior Fund Managers: Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho;

Glenda Hsia; Amy Lee, CFA, CAIA; Philip Li, CFA; Luo Jing, CFA; Yu Chen Jun

Key corporate awards



Benchmark Fund of the Year Awards 2018, Hong Kong

Asia ex-Japan Equity House: Best-in-Class¹⁴
~ Benchmark

I&M Professional Investment Awards 2018

House Performance Awards:
Offshore China Equity (10-year)¹⁵
~ Insights & Mandate

Listed Company Awards of Excellence 2018

Outstanding Listed Company
(Main Board Category)¹⁶
~ Hong Kong Economic Journal

China Convergence Fund

A Sub-Fund of Value Partners Intelligent Funds

NAV per unit: Class A USD - USD189.89

Fund size : USD230.6 million



Morningstar Rating™¹
As at 28-02-2019

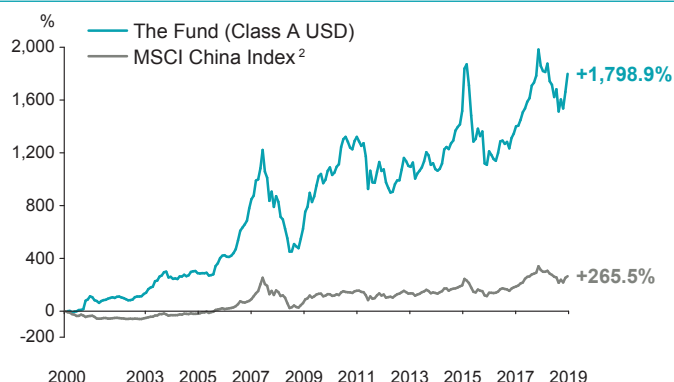
February 2019

- China Convergence Fund (The "Fund") primarily invests in A and B shares listed on the stock exchanges of Shanghai and Shenzhen as well as in H shares listed in Hong Kong.
- The Fund invests in China and therefore is subject to emerging market risks. Generally, investments in emerging markets are more volatile than investments in developed markets due to additional risks relating to political, social, economic and regulatory uncertainty.
- The Fund is also subject to concentration risk due to its concentration in China-related companies. Adverse development in such region may affect the value of the underlying securities in which the Fund invests.
- The Fund may directly invest in A Shares and other eligible securities through the qualified foreign institutional investors ("QFII") quota. Investors will be subject to certain risks including repatriation risk, custodial risk, regulatory risk. In addition, the QFII policy and rules are subject to change. All these may adversely impact the Fund.
- The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Fund aims to achieve long-term capital appreciation by investing primarily in equity securities of China-related companies. This includes securities listed on a Mainland China stock exchange, the Hong Kong Stock Exchange and major stock exchanges in other jurisdictions. The investable universe covers, but is not limited to, A, B and H Shares as well as American Depositary Receipts.

Performance since launch



Performance update

	Class A USD	MSCI China Index ²
One month	+7.8%	+3.5%
Year-to-date	+16.0%	+14.9%
One year	-3.1%	-11.5%
Three years	+57.0%	+70.3%
Five years	+55.5%	+50.6%
Since launch	+1,798.9%	+265.5%
Annualized return [^]	+17.1%	+7.2%
Annualized volatility [^]	25.1%	26.1%

NAVs & codes

Classes	NAV	ISIN	Bloomberg
Class A USD	189.89	KYG9317Q1047	VAPAICB KY
Class A AUD Hedged	12.32	KYG9317Q1385	VAPAAHD KY
Class A CAD Hedged	13.20	KYG9317Q1468	VAPACAH KY
Class A NZD Hedged	13.91	KYG9317Q1534	VAPANZH KY

The Fund – Class A USD: Monthly performance from 1 Jan 2009 to 28 Feb 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2009	-3.0%	-2.3%	+12.4%	+11.6%	+17.9%	+4.3%	+11.9%	-7.0%	+4.6%	+8.4%	+6.8%	+1.5%	+87.1%
2010	-6.1%	+2.4%	+6.2%	+2.3%	-4.8%	+1.6%	+3.9%	+1.6%	+10.8%	+4.5%	+1.2%	-2.6%	+21.3%
2011	-3.2%	-0.9%	+4.8%	+2.2%	-2.5%	-2.4%	+1.5%	-7.3%	-19.4%	+13.5%	-7.6%	-0.3%	-22.4%
2012	+7.6%	+6.6%	-5.5%	+1.0%	-8.4%	-3.8%	-3.5%	+0.6%	+5.8%	+2.7%	+0.1%	+7.4%	+9.3%
2013	+7.5%	-2.0%	-2.9%	-0.6%	+2.7%	-9.9%	+3.5%	+1.8%	+2.2%	+3.9%	+5.6%	-1.8%	+9.2%
2014	-5.6%	+1.0%	-3.6%	-1.0%	+1.2%	+3.4%	+8.8%	+1.3%	-1.2%	+3.2%	+1.6%	+5.4%	+14.6%
2015	+1.8%	+1.3%	+6.7%	+19.8%	+1.7%	-8.1%	-12.6%	-12.5%	+1.5%	+5.5%	-3.8%	+2.4%	-0.5%
2016	-16.6%	-0.9%	+8.5%	-2.1%	-2.5%	-1.1%	+4.8%	+6.7%	+0.4%	-1.8%	+1.1%	-3.5%	-8.7%
2017	+5.9%	+2.3%	+3.8%	+0.3%	+2.9%	+3.7%	+1.8%	+3.1%	+1.6%	+5.5%	+1.3%	+2.9%	+41.3%
2018	+10.5%	-6.0%	-2.0%	-0.4%	+3.3%	-6.7%	-1.5%	-5.1%	+3.4%	-9.4%	+5.6%	-4.0%	-13.2%
2019 (YTD)	+7.7%	+7.8%											+16.0%

[^] Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

Top 10 securities holdings

Name	Industry ³	%
Alibaba Group Holding Ltd	Retailing	9.2
CSPC Pharmaceutical Group Ltd	Pharmaceuticals, biotechnology & life sciences	8.6
AviChina Industry & Technology Co Ltd	Capital goods	6.3
Beijing Tong Ren Tang Chinese Medicine Co Ltd	Pharmaceuticals, biotechnology & life sciences	5.3
Suzhou Gold Mantis Construction and Decoration Co Ltd	Capital goods	4.5
Weifu High-technology Group Co Ltd	Automobiles & components	4.3
China CYTS Tours Holding Co Ltd	Consumer services	4.0
PetroChina Co Ltd	Energy	3.8
China Education Group Holdings Ltd	Consumer services	3.7
Fujian Septwolves Industry Co Ltd	Consumer durables & apparel	3.7

These stocks constitute 53% of the Fund.

Portfolio characteristics

As at 28 Feb 2019	2019 ⁴
Price/earnings ratio	14.1 times
Price/book ratio	1.8 times
Portfolio yield	2.5%

Geographical exposure by listing ⁵

China A Shares	44%
Hong Kong	14%
Red Chips	14%
H Shares	13%
United States	10%
Cash ⁶	3%
China B Shares	2%

Short exposure includes: Hong Kong, -2.2%; United States, -1.6% and H Shares, -1.0%.

Sector exposure ^{3, 5}

Consumer discretionary	31%
Health care	24%
Industrials	22%
Information technology	9%
Energy	4%
Cash ⁶	3%
Communication services	2%
Real estate	2%
Utilities	2%
Others	1%

Total short exposure is -4.8%.

Short exposure includes: Consumer discretionary, -1.6%; Communication services, -1.1%; Materials, -1.0%; Utilities, -0.7% and Health care, -0.4%.

Fund facts

Manager:	Value Partners Limited
Base currency:	USD
Trustee:	HSBC Trustee (Cayman) Limited
Custodian:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	Class A USD - 14 Jul 2000 Class A AUD Hedged - 27 Oct 2015 Class A CAD Hedged - 7 Jan 2016 Class A NZD Hedged - 7 Jan 2016

Fee structure

Minimum subscription	USD10,000 or equivalent
Minimum subsequent subscription	USD5,000 or equivalent
Subscription fee	Up to 5%
Management fee	1.25% p.a.
Performance fee ⁷	15% of profit (High-on-high principle)
Redemption fee	Nil
Dealing day	Daily

Senior investment staff

Chairman & Co-Chief Investment Officer: Cheah Cheng Hye
Deputy Chairman & Co-Chief Investment Officer: Louis So
Deputy Chief Investment Officer: Renee Hung
Senior Investment Director: Norman Ho, CFA
Investment Directors: Chung Man Wing; Michelle Yu, CFA; Yu Xiao Bo
Senior Fund Managers: Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Philip Li, CFA; Luo Jing, CFA; Yu Chen Jun

Key awards



Offshore China Fund Awards 2018
Best Total Return - Greater China Equity Fund (5-year): 2nd Runner-up ⁸
 ~ HKCAMA and Bloomberg

Benchmark Fund of the Year Awards 2018, Hong Kong
Asia ex-Japan Equity House: Best-in-Class ⁹
 ~ Benchmark

I&M Professional Investment Awards 2018
House Performance Awards: Offshore China Equity (10-year) ¹⁰
 ~ Insights & Mandate

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. © 2019 Morningstar, Inc. All Rights Reserved. 2. MSCI China Index (Price Return) since fund inception to 29 Mar 2001, thereafter it is the MSCI China Index (Total Net Return) which takes into account of dividend reinvestment after deduction of withholding tax. MSCI index (Total Return) does not take into account of deduction of withholding tax. 3. Classification is based on Global Industry Classification Standard (GICS). 4. The profile is based on market consensus forecast as derived from S&P Capital IQ and Bloomberg. Harmonic mean methodology is applied to calculate the forecast P/E ratio and P/B ratio. Note that the manager's internal estimates may differ significantly from S&P Capital IQ and Bloomberg estimates. 5. Exposure refers to net exposure (long exposure minus short exposure). Due to rounding, percentages shown may not add up to 100%. 6. Cash refers to net cash on hand excluding cash for collaterals and margins. 7. Performance fee will only be charged if the NAV at the end of the financial year or upon realization of units exceeds the "high watermark", which is the all-time year-end high of the Fund's NAV. If in any one year, the Fund suffers a loss, no performance fee can be charged in subsequent years until the loss is recovered fully (the high-on-high principle). 8. The award reflects the fund's 5-year performance up to 30 September 2018. 9. The award reflects performance up to 30 September 2018. 10. The award reflects performance up to 31 December 2017.

Investors should note investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. Information in this report has been obtained from sources believed to be reliable but Value Partners Limited does not guarantee the accuracy or completeness of the information provided by third parties. Investors should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.

For Singapore investors: The Fund is registered as a restricted foreign scheme in Singapore and will only be distributed to (i) institutional investors and (ii) accredited investors and certain other persons in Singapore in accordance with section 304 and 305 of the Securities and Futures Act. Value Partners Asset Management Singapore Pte Ltd, Singapore Company Registration No. 200808225G. This advertisement has not been reviewed by the Monetary Authority of Singapore.

This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Limited.

Chinese Mainland Focus Fund

A Sub-Fund of Value Partners Intelligent Funds

NAV per unit: **USD50.16**
Fund size : **USD122.8 million**



Morningstar Rating™¹
As at 28-02-2019

February 2019

- Chinese Mainland Focus Fund (The "Fund") invests primarily in investments which are related to the Mainland of the People's Republic of China ("PRC") and investments whose value the Manager believes would be boosted by a Renminbi ("RMB") appreciation.
- The Fund invests in China-related companies which involve certain risks not typically associated with investment in more developed markets, such as greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund is also subject to concentration risk due to its concentration in China-related companies. Adverse development in such region may affect the value of the underlying securities in which the Fund invests.
- The Fund may directly invest in A Shares and other eligible securities through the Qualified Foreign Institutional Investors ("QFII") quota and the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively the "Stock Connects"). Investors will be subject to certain risks including repatriation, custodial, settlement and regulatory risk. In addition, the policy and rules of QFII and Stock Connects are subject to change. All these may adversely impact the Fund.
- Investments also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Fund aims to achieve medium to long-term capital appreciation by focusing on investments related to mainland China. This includes RMB-denominated corporate and government bonds, listed or unlisted shares issued by companies whose assets and/or revenues are principally denominated in RMB and/or whose costs or liabilities are principally denominated in US dollars. The investable universe can also cover A, B and H shares.

Performance since launch



Performance update

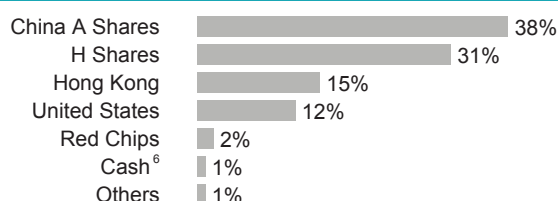
	The Fund	MSCI China Index (Total Net Return) ²
One month	+7.0%	+3.5%
Year-to-date	+17.2%	+14.9%
One year	-17.5%	-11.5%
Three years	+52.8%	+70.3%
Five years	+47.4%	+50.6%
Since launch	+401.6%	+456.6%
Annualized return [^]	+11.2%	+11.9%
Annualized volatility [^]	22.5%	25.6%

The Fund – Monthly performance from 1 Jan 2009 to 28 Feb 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2009	-3.2%	-2.1%	+11.8%	+11.4%	+17.7%	+3.4%	+12.3%	-7.1%	+5.2%	+8.8%	+6.7%	+1.8%	+86.0%
2010	-5.7%	+1.9%	+6.5%	+2.8%	-4.7%	+1.5%	+4.9%	+1.7%	+10.6%	+6.4%	-1.1%	-2.0%	+23.9%
2011	-2.5%	-0.9%	+4.8%	+3.4%	-1.2%	-2.2%	+1.8%	-7.6%	-19.5%	+15.6%	-7.8%	+0.6%	-17.8%
2012	+6.7%	+6.8%	-5.7%	+1.4%	-8.6%	-3.5%	-2.7%	+0.7%	+5.5%	+4.5%	+1.4%	+6.0%	+11.6%
2013	+8.1%	-3.2%	-3.3%	-0.1%	+0.4%	-8.8%	+2.4%	+4.5%	+2.9%	+4.1%	+4.5%	-2.3%	+8.3%
2014	-5.7%	-1.7%	-2.4%	-1.8%	+1.4%	+4.0%	+7.7%	+0.4%	-2.0%	+2.8%	+1.8%	+6.5%	+10.6%
2015	-0.5%	+1.6%	+6.4%	+19.4%	+3.3%	-6.8%	-13.0%	-12.9%	+0.3%	+7.9%	-1.5%	+1.8%	+1.7%
2016	-19.9%	-0.8%	+9.8%	-1.9%	-2.7%	-0.4%	+7.0%	+3.5%	+1.4%	-0.9%	+2.4%	-5.0%	-10.3%
2017	+7.9%	+3.2%	+3.5%	+1.8%	+2.8%	+4.9%	+9.8%	+3.2%	+2.2%	+4.9%	+3.0%	+1.9%	+61.2%
2018	+9.4%	-7.0%	-4.8%	-2.7%	+5.6%	-8.2%	-2.9%	-8.8%	-0.8%	-11.8%	+6.7%	-5.2%	-28.3%
2019 (YTD)	+9.6%	+7.0%											+17.2%

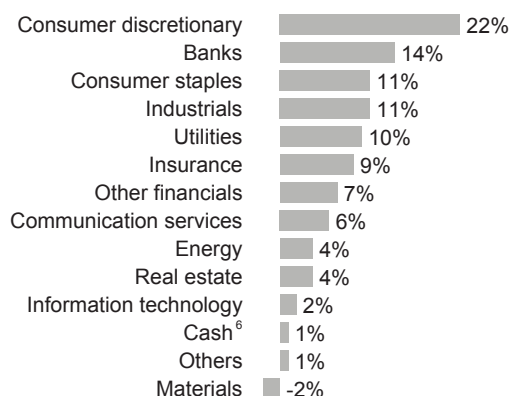
[^] Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

Geographical exposure by listing ⁵



Short exposure includes: H Shares, -1.7%; United States, -1.0% and Red Chips, -0.5%.

Sector exposure ^{4, 5}



Total short exposure is -3.2%. Short exposure includes: Materials, -1.7%; Information technology, -1.0% and Consumer staples, -0.5%.

Fund facts

Manager:	Value Partners Limited
Base currency:	USD
Trustee:	HSBC Trustee (Cayman) Limited
Custodian:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	27 Nov 2003
Bloomberg and ISIN codes:	VAPAICM KY / KYG9317Q1120

Fee structure

Minimum subscription	USD10,000
Minimum subsequent subscription	USD5,000
Subscription fee	Up to 5%
Management fee	1.25% p.a.
Performance fee ⁷	15% of profit (High-on-high principle)
Redemption fee	Nil
Dealing day	Daily

Senior investment staff

Chairman & Co-Chief Investment Officer: Cheah Cheng Hye
Deputy Chairman & Co-Chief Investment Officer: Louis So
Deputy Chief Investment Officer: Renee Hung
Senior Investment Director: Norman Ho, CFA
Investment Directors: Chung Man Wing; Michelle Yu, CFA; Yu Xiao Bo
Senior Fund Managers: Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Philip Li, CFA; Luo Jing, CFA; Yu Chen Jun

Key awards



Lipper Fund Awards Hong Kong 2018
Best China Equity Fund (10-year) ⁸
 ~ Thomson Reuters

Benchmark Fund of the Year Awards 2018, Hong Kong
Asia ex-Japan Equity House: Best-in-Class ⁹
 ~ Benchmark

I&M Professional Investment Awards 2018
House Performance Awards:
Offshore China Equity (10-year) ¹⁰
 ~ Insights & Mandate

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. © 2019 Morningstar, Inc. All Rights Reserved. 2. MSCI China Index (Total Net Return) which takes into account of dividend reinvestment after deduction of withholding tax. 3. The profile is based on market consensus forecast as derived from S&P Capital IQ and Bloomberg. Harmonic mean methodology is applied to calculate the forecast P/E ratio and P/B ratio. Note that the manager's internal estimates may differ significantly from S&P Capital IQ and Bloomberg estimates. 4. Classification is based on Global Industry Classification Standard (GICS). 5. Exposure refers to net exposure (long exposure minus short exposure). Due to rounding, percentages shown may not add up to 100%. 6. Cash refers to net cash on hand excluding cash for collaterals and margins. 7. Performance fee will only be charged if the NAV at the end of the financial year or upon realization of units exceeds the "high watermark", which is the all-time year-end high of the Fund's NAV. If in any one year, the Fund suffers a loss, no performance fee can be charged in subsequent years until the loss is recovered fully (the high-on-high principle). 8. The award reflects the fund's 10-year performance up to the end of 2017. 9. The award reflects performance up to 30 September 2018. 10. The award reflects performance up to 31 December 2017.

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This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Limited.

Value Partners Fund Series

Value Partners China A-Share Select Fund

NAV per unit: Class A RMB (CNH) – RMB14.18

Fund size : USD84.7 million (RMB566.6 million)



Morningstar Rating™¹
As at 28-02-2019

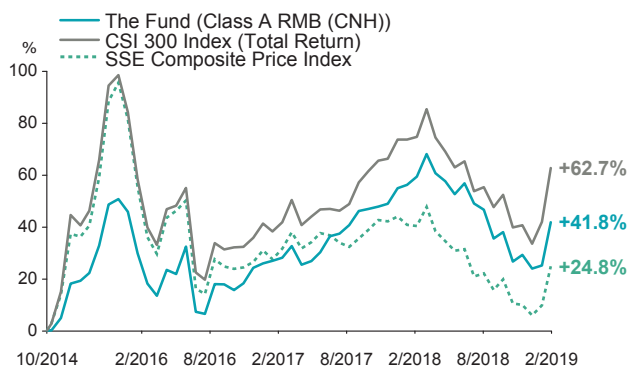
February 2019

- Value Partners China A-Share Select Fund (The "Fund") invests primarily in RMB-denominated equities in China.
- The Fund is also subject to concentration risk as a result of investing only in China. Adverse developments in such region may affect the value of the underlying securities in which the Fund invests. The value of the Fund can be extremely volatile and could go down substantially within a short period of time. It is possible that the entire value of your investment could be lost.
- The Fund intends to invest predominantly in China A Shares directly, via its Manager's RQFII quota. Investors will be subject to certain risks including repatriation risk, custodial risk, regulatory risk and risks associated with the Manager's RQFII status. In addition, the RQFII policy and rules are relatively new and there may be uncertainty in implementation and such policy and rules are subject to change. All these may adversely impact the Fund.
- The Fund and its primary investments are denominated in RMB. RMB is currently not a freely convertible currency and is subject to foreign exchange control policies, as well as repatriation restrictions imposed by the PRC government. Investors whose base currencies of investments are not in RMB should take into account the potential risk of loss arising from fluctuations in value between such currencies and the RMB.
- The Fund may invest in debt securities including those that are below investment grade/unrated, and may involve greater risks, including credit risk, issuer-specific risk, counterparty risk and sovereign debt risk. The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk. All these may expose the Fund to significant losses.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

To achieve long-term capital growth and income appreciation by predominately investing in RMB-denominated equities in the PRC utilizing the Manager's RQFII quota.

Performance since launch



Performance update

	The Fund (Class A RMB (CNH))	CSI 300 Index (Total Return)	SSE Composite Price Index
One month	+13.3%	+14.6%	+13.8%
Three months	+9.8%	+15.7%	+13.6%
Year-to-date	+14.4%	+21.9%	+17.9%
One years	-11.8%	-6.8%	-9.8%
Three years	+33.3%	+36.1%	+9.4%
Since launch	+41.8%	+62.7%	+24.8%
Annualized return [^]	+8.3%	+11.8%	+5.2%
Annualized volatility [^]	20.7%	27.0%	26.0%

The Fund – Class A RMB (CNH): Monthly performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	+0.0%	+4.8%	+12.7%	+18.1% ⁶
2015	+0.9%	+2.5%	+8.7%	+11.9%	+1.4%	-3.3%	-11.0%	-9.0%	-4.0%	+8.8%	-1.3%	+8.7%	+12.1%
2016	-19.0%	-0.7%	+10.8%	-0.1%	-1.9%	+2.2%	+5.1%	+1.4%	+0.8%	+0.9%	+3.5%	-5.4%	-5.3%
2017	+1.1%	+2.7%	+4.8%	+0.7%	+2.4%	+3.8%	+0.5%	+0.6%	+0.7%	+4.0%	+0.8%	+2.0%	+27.1%
2018	+5.5%	-4.4%	-1.9%	-3.2%	+2.8%	-5.0%	-1.6%	-7.6%	+1.8%	-8.3%	+2.1%	-4.1%	-22.3%
2019 (YTD)	+1.0%	+13.3%											+14.4%

[^] Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

Top 5 securities holdings

Name	Industry ²	%
China Merchants Shekou Industrial Zone Holdings Co Ltd	Real estate	6.9
China Railway Hi-tech Industry Corporation Limited	Capital goods	6.5
China CYTS Tours Holding Co Ltd	Consumer services	5.6
Weifu High-technology Group Co Ltd	Automobiles & components	4.8
China Life Insurance Company Limited	Insurance	4.2

These stocks constitute 28% of the Fund.

Portfolio characteristics

As at 28 Feb 2019	2019 ³
Price/earnings ratio	12.8 times
Price/book ratio	1.7 times
Portfolio yield	2.4%

Geographical exposure by listing ⁴

Shanghai A Shares	48%
Shenzhen A Shares	42%
Cash ⁵	10%

Sector exposure ^{2, 4}

Industrials	20%
Information technology	17%
Consumer discretionary	14%
Cash ⁵	10%
Real estate	9%
Health care	7%
Materials	6%
Communication services	4%
Insurance	4%
Banks	3%
Consumer staples	3%
Other financials	3%

NAVs & codes

Classes ⁷	NAV	ISIN	Bloomberg
Class A RMB (CNH)	14.18	HK0000220001	VPCAARM HK
Class A USD Unhedged	13.09	HK0000220019	VPCAAUU HK
Class A USD Hedged	12.54	HK0000220027	VPCAAUH HK
Class A HKD Unhedged	13.18	HK0000220035	VPCAAHU HK
Class A HKD Hedged	12.35	HK0000220043	VPCAAHH HK
Class A GBP Unhedged	14.59	HK0000220076	VPCAAGU HK
Class A GBP Hedged	11.92	HK0000220084	VPCAAGH HK
Class A AUD Unhedged	13.11	HK0000220092	VPCAAAU HK
Class A AUD Hedged	12.70	HK0000220100	VPCAAAH HK
Class A CAD Hedged	11.65	HK0000220126	VPCAACH HK
Class A EUR Unhedged	12.59	HK0000220050	VPCAAEU HK
Class A EUR Hedged	11.75	HK0000220068	VPCAAEH HK
Class A NZD Unhedged	11.68	HK0000220134	VPCAANU HK
Class A NZD Hedged	12.55	HK0000220142	VPCAANH HK

Fund facts

Manager & RQFII holder:	Value Partners Hong Kong Limited
Base currency:	RMB
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Custodian:	The Hongkong and Shanghai Banking Corporation Limited
PRC custodian:	HSBC Bank (China) Company Limited
Launch date:	Class A RMB (CNH) Hedged - 16 Oct 2014 Class A USD Unhedged - 29 Oct 2014 Class A AUD/CAD/EUR/HKD/NZD/USD Hedged - 12 Nov 2014 Class A HKD Unhedged - 13 Nov 2014 Class A GBP Hedged - 14 Nov 2014 Class A GBP Unhedged - 26 Nov 2014 Class A AUD Unhedged - 28 Nov 2014 Class A NZD Unhedged - 16 Jan 2015 Class A EUR Unhedged - 29 Feb 2016

Fee structure

	Class A
Minimum subscription	RMB60,000 or equivalent
Minimum subsequent subscription	RMB30,000 or equivalent
Subscription fee	Up to 5%
Redemption fee	Nil
Management fee	1.5% p.a.
Performance fee ⁸	15% of profit (High-on-High)
Dealing day	Daily

Senior investment staff

Chairman & Co-Chief Investment Officer: Cheah Cheng Hye
Deputy Chairman & Co-Chief Investment Officer: Louis So
Deputy Chief Investment Officer: Renee Hung
Senior Investment Director: Norman Ho, CFA
Investment Directors: Chung Man Wing; Michelle Yu, CFA; Yu Xiao Bo
Senior Fund Managers: Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Philip Li, CFA; Luo Jing, CFA; Yu Chen Jun

Key corporate awards



Benchmark Fund of the Year Awards 2018, Hong Kong
Asia ex-Japan Equity House: Best-in-Class⁹
 ~ Benchmark

I&M Professional Investment Awards 2018
House Performance Awards:
Offshore China Equity (10-year)¹⁰
 ~ Insights & Mandate

Listed Company Awards of Excellence 2018
Outstanding Listed Company (Main Board Category)¹¹
 ~ Hong Kong Economic Journal

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. © 2019 Morningstar, Inc. All Rights Reserved. 2. Classification is based on Global Industry Classification Standard (GICS). 3. The profile is based on market consensus forecast as derived from S&P Capital IQ and Bloomberg. Harmonic mean methodology is applied to calculate the forecast P/E ratio and P/B ratio. Note that the manager's internal estimates may differ significantly from S&P Capital IQ and Bloomberg estimates. 4. Exposure refers to net exposure (long exposure minus short exposure). Due to rounding, percentages shown may not add up to 100%. 5. Cash refers to net cash on hand excluding cash for collaterals and margins. 6. Performance shown is calculated based on the Fund's since launch return. 7. Each hedged share class will hedge the Fund's base currency back to its currency of denomination on a best efforts basis. However, the volatility of the hedged classes measured in the Fund's base currency may be higher than that of the equivalent class denominated in the Fund's base currency. The AUD/CAD/EUR/GBP/HKD/NZD/USD Hedged Classes are not recommended for investors whose base currency of investment is not in the aforesaid currencies. 8. Performance fee will only be charged if the NAV at the end of the financial year or upon realization of units exceeds the "high watermark", which is the all-time year-end high of the Fund's NAV. If in any one year, the Fund suffers a loss, no performance fee can be charged in subsequent years until the loss is recovered fully (the high-on-high principle). 9. The award reflects performance up to 30 September 2018. 10. The award reflects performance up to 31 December 2017. 11. The award recognises listed companies that were able to demonstrate outstanding business performance, create value for investors and showcase strong corporate governance over the past year. The award was bestowed on 5 November 2018.

Investors should note investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. Information herein has been obtained from sources believed to be reliable but Value Partners Hong Kong Limited does not guarantee the accuracy or completeness of the information provided by third parties. Investors should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.

For Singapore investors: The Fund is registered as a restricted foreign scheme in Singapore and will only be distributed to (i) institutional investors and (ii) accredited investors and certain other persons in Singapore in accordance with section 304 and 305 of the Securities and Futures Act. Value Partners Asset Management Singapore Pte Ltd, Singapore Company Registration No. 200808225G. This advertisement has not been reviewed by the Monetary Authority of Singapore.

This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Hong Kong Limited.

NAV per unit: Class A – USD20.44

Fund size : USD59.8 million



Morningstar Rating™¹
 As at 28-02-2019

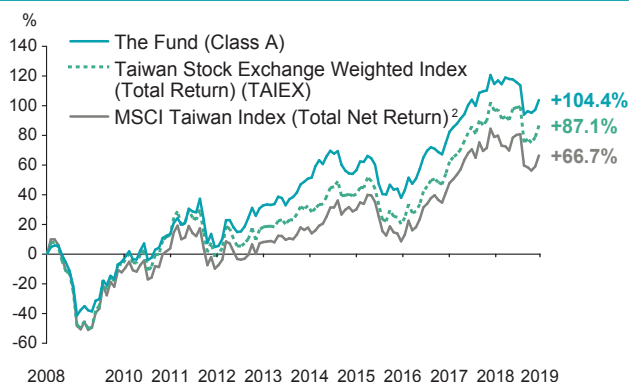
February 2019

- Value Partners Taiwan Fund (The "Fund") invests primarily in companies established in Taiwan or which derive a majority of their revenue from business related to Taiwan.
- The Fund may invest in Taiwan and therefore is subject to emerging market risks. Generally, investments in emerging markets are more volatile than investments in developed markets due to additional risks relating to political, social, economic and regulatory uncertainty which may adversely affect volatility and market liquidity.
- The Fund is also subject to concentration risk due to its concentration in Taiwan-related companies. Adverse development in such region may affect the value of the underlying securities in which the Fund invests. The value of the Fund can be extremely volatile and could go down substantially within a short period of time. It is possible that the entire value of your investment could be lost.
- The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Fund aims to achieve long term capital growth through primarily investing in equity and equity linked securities of companies that are listed on (a) the Taiwan Stock Exchange; or (b) the GRE Tai Securities Market; or (c) any stock exchange but which have their main operations or majority of assets in or derive the majority of their income from Taiwan. This includes companies incorporated and/or quoted outside Taiwan.

Performance since launch



Performance update

	The Fund (Class A)	Taiwan Stock Exchange Weighted Index (Total Return) (TAIEX)	MSCI Taiwan Index (Total Net Return) ²
One month	+3.4%	+4.4%	+4.8%
Year-to-date	+4.4%	+6.7%	+6.6%
One year	-5.1%	-5.1%	-7.0%
Three years	+42.7%	+50.3%	+47.7%
Since launch	+104.4%	+87.1%	+66.7%
Annualized return [^]	+6.7%	+5.9%	+4.8%
Annualized volatility [^]	17.7%	22.9%	23.1%

Top 5 securities holdings³

Name	Industry ⁴	%
Taiwan Semiconductor Manufacturing Co Ltd	Semiconductors & semiconductor equipment	10.1
CTBC Financial Holding Co Ltd	Banks	4.0
Cathay Financial Holding Co Ltd	Insurance	3.9
Sporton International Inc	Commercial services & supplies	3.8
Wistron NeWeb Corporation	Technology, hardware & equipment	3.2

These stocks constitute 25% of the Fund.

Portfolio characteristics

As at 27 Feb 2019	2019 ⁵
Price/earnings ratio	13.2 times
Price/book ratio	1.9 times
Portfolio yield	5.1%

Geographical exposure by listing⁶

Taiwan	93%
United States	4%
Cash ⁷	2%
Others	1%

Sector exposure^{4, 6}

Information technology	51%
Industrials	11%
Banks	9%
Communication services	8%
Consumer discretionary	5%
Insurance	5%
Materials	5%
Cash ⁷	2%
Consumer staples	2%
Others	2%

The Fund – Class A: Monthly performance from 1 Jan 2009 to 27 Feb 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2009	-4.4%	-1.3%	+12.0%	+1.6%	+17.9%	-3.4%	+7.9%	-2.2%	+11.4%	+2.1%	+3.8%	+3.7%	+58.0%
2010	-5.4%	-0.1%	+6.5%	+4.6%	-10.6%	+1.7%	+5.7%	+1.3%	+6.3%	+1.4%	+1.1%	+6.9%	+19.2%
2011	+2.5%	-3.5%	+0.9%	+8.0%	-1.4%	-0.5%	+7.2%	-10.3%	-12.9%	+5.7%	-7.8%	+0.8%	-13.0%
2012	+4.5%	+11.5%	+0.1%	-4.0%	-2.7%	+0.3%	+2.9%	+5.1%	+5.4%	-4.1%	+4.1%	+1.5%	+26.1%
2013	+0.5%	-0.2%	+0.5%	+3.7%	-0.6%	-3.6%	+3.1%	+1.1%	+2.1%	+4.0%	+1.3%	+1.4%	+13.7%
2014	+0.5%	+5.1%	+2.6%	-1.6%	+3.3%	+2.2%	-1.2%	+1.1%	-5.5%	-2.4%	-1.3%	-0.2%	+2.1%
2015	+1.6%	+3.8%	-0.1%	+2.5%	-1.0%	-2.6%	-8.2%	-4.7%	-0.2%	+4.7%	-2.2%	+0.4%	-6.5%
2016	-4.3%	+3.8%	+5.9%	-2.7%	+2.3%	+4.4%	+5.0%	+2.8%	+1.4%	-0.6%	-1.3%	-0.9%	+16.2%
2017	+4.6%	+4.3%	+1.7%	+1.3%	+1.9%	+1.6%	+3.2%	+1.8%	-2.1%	+4.4%	+0.5%	+0.3%	+25.9%
2018	+5.0%	-2.8%	+1.1%	-1.1%	+2.1%	-0.5%	-0.1%	-0.9%	-1.0%	-9.3%	+1.2%	-0.6%	-7.2%
2019 (YTD)	+1.0%	+3.4%											+4.4%

[^] Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

Fund facts

Manager:	Value Partners Hong Kong Limited
Base currency:	USD
Trustee:	HSBC Trustee (Cayman) Limited
Custodian:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	Class A – 3 Mar 2008
Bloomberg and ISIN codes:	Class A – VTAIWAN KY / KYG9318Y1061

Fee structure

	Class A
Minimum subscription	US\$10,000
Minimum subsequent subscription	US\$5,000
Subscription fee	Up to 5%
Management fee	1.25% p.a.
Performance fee ⁸	15% of profit (High-on-high principle)
Redemption fee	Nil
Dealing day	Daily

Senior investment staff

Chairman & Co-Chief Investment Officer: Cheah Cheng Hye
Deputy Chairman & Co-Chief Investment Officer: Louis So
Deputy Chief Investment Officer: Renee Hung
Senior Investment Director: Norman Ho, CFA
Investment Directors: Chung Man Wing; Michelle Yu, CFA; Yu Xiao Bo
Senior Fund Managers: Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho;
 Glenda Hsia; Amy Lee, CFA, CAIA; Philip Li, CFA; Luo Jing, CFA; Yu Chen Jun

Key corporate awards



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 Hong Kong
 Asia ex-Japan Equity House: Best-in-Class⁹
 ~ Benchmark**

**I&M Professional Investment Awards 2018
 House Performance Awards:
 Offshore China Equity (10-year)¹⁰
 ~ Insights & Mandate**

**Listed Company Awards of Excellence 2018
 Outstanding Listed Company
 (Main Board Category)¹¹
 ~ Hong Kong Economic Journal**

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. © 2019 Morningstar, Inc. All Rights Reserved. 2. MSCI Taiwan Index (Total Net Return) which takes into account of dividend reinvestment after deduction of withholding tax. 3. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk. 4. Classification is based on Global Industry Classification Standard (GICS). 5. The profile is based on market consensus forecast as derived from S&P Capital IQ and Bloomberg. Harmonic mean methodology is applied to calculate the forecast P/E ratio and P/B ratio. Note that the manager's internal estimates may differ significantly from S&P Capital IQ and Bloomberg estimates. 6. Exposure refers to net exposure (long exposure minus short exposure). Due to rounding, percentages shown may not add up to 100%. 7. Cash refers to net cash on hand excluding cash for collaterals and margins. 8. Performance fee will only be charged if the NAV at the end of the financial year or upon realization of units exceeds the "high watermark", which is the all-time year-end high of the Fund's NAV. If in any one year, the Fund suffers a loss, no performance fee can be charged in subsequent years until the loss is recovered fully (the high-on-high principle). 9. The award reflects performance up to 30 September 2018. 10. The award reflects performance up to 31 December 2017. 11. The award recognises listed companies that were able to demonstrate outstanding business performance, create value for investors and showcase strong corporate governance over the past year. The award was bestowed on 5 November 2018.

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For Singapore investors: The Fund is registered as a restricted foreign scheme in Singapore and will only be distributed to (i) institutional investors and (ii) accredited investors and certain other persons in Singapore in accordance with section 304 and 305 of the Securities and Futures Act. Value Partners Asset Management Singapore Pte Ltd, Singapore Company Registration No. 200808225G. This advertisement has not been reviewed by the Monetary Authority of Singapore.

This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Hong Kong Limited.

Value Partners High-Dividend Stocks Fund

NAV per unit: Class A1 USD - USD88.78 | Class A2 MDIs USD - USD10.90

Fund size : USD2,740.2 million



Morningstar Rating™¹
As at 28-02-2019

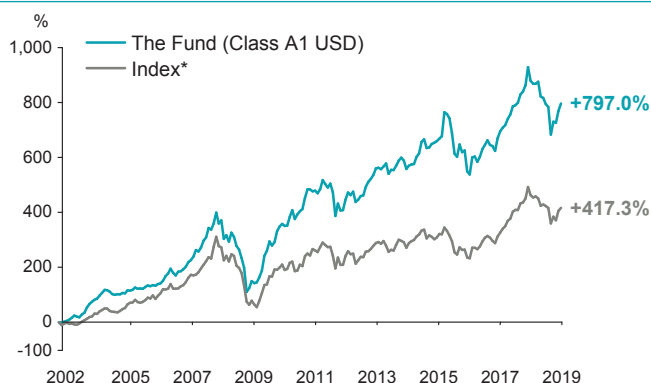
February 2019

- Value Partners High-Dividend Stocks Fund (The "Fund") primarily invests in higher yielding debt and equity securities in the Asian region.
- The Fund may invest in higher-yielding debt and equity securities that are below investment grade. Such investments can involve greater risks due to the speculative nature.
- The Fund may invest in China and other markets of the Asian region, therefore is subject to emerging market risks. Generally, investments in emerging markets are more volatile than investments in developed markets due to additional risks relating to political, social, economic and regulatory uncertainty. The value of the Fund can be extremely volatile and could go down substantially within a short period of time. It is possible that the entire value of your investment could be lost.
- The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- In respect of the distribution units for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Fund aims to provide capital appreciation to unitholders by investing primarily in a portfolio of relatively higher yielding debt and equity securities in Asian region.

Performance since launch



Performance update

	Class A1 USD	Class A2 MDIs USD	Class A Acc RMB	Index*
One month	+3.1%	+3.1%	+2.6%	+2.1%
Year-to-date	+8.5%	+8.5%	+5.5%	+9.5%
One year	-8.4%	-8.4%	-3.5%	-8.2%
Three years	+40.4%	+39.1%	+42.8%	+54.9%
Five years	+33.7%	+32.5%	N/A	+32.9%
Since launch	+797.0%	+48.5%	+45.9%	+417.3%
Annualized return [^]	+14.2%	+6.4%	+7.9%	+10.5%
Annualized volatility [^]	18.2%	13.5%	13.0%	19.8%

The Fund – Class A1 USD: Monthly performance from 1 Jan 2009 to 28 Feb 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2009	-3.0%	+1.2%	+7.5%	+8.9%	+18.9%	+5.4%	+9.2%	-3.8%	+3.3%	+10.2%	+3.9%	+2.1%	+82.8%
2010	-1.6%	+0.2%	+7.0%	+5.1%	-6.4%	+3.5%	+2.4%	+1.5%	+8.0%	+5.6%	+0.0%	-1.2%	+25.8%
2011	+0.4%	-1.6%	+2.6%	+5.7%	-2.3%	-2.1%	+2.5%	-5.2%	-15.1%	+9.2%	-4.7%	+0.2%	-11.9%
2012	+7.5%	+4.7%	-1.7%	+2.2%	-6.5%	+1.5%	+2.4%	+0.4%	+5.5%	+3.1%	+1.7%	+2.4%	+25.2%
2013	+3.7%	+0.4%	-0.8%	+1.5%	+1.7%	-5.6%	+2.3%	-0.1%	+2.5%	+2.7%	+1.6%	-1.5%	+8.1%
2014	-4.4%	+1.8%	+0.7%	+0.2%	+3.8%	+1.8%	+5.9%	+1.2%	-4.1%	+0.3%	+1.8%	+0.6%	+9.4%
2015	+0.8%	+1.2%	+1.1%	+11.2%	-0.7%	-1.8%	-6.4%	-9.5%	-1.6%	+6.4%	-3.8%	+0.9%	-3.7%
2016	-10.5%	-1.7%	+9.7%	+0.4%	-2.7%	+2.6%	+4.1%	+2.0%	+2.3%	-2.2%	-0.6%	-2.3%	-0.2%
2017	+6.3%	+3.2%	+1.7%	+1.1%	+2.8%	+1.9%	+3.5%	+0.4%	+1.0%	+3.3%	+1.2%	+2.4%	+32.9%
2018	+6.8%	-4.8%	-1.1%	-0.0%	+0.8%	-5.5%	-0.5%	-2.4%	-1.2%	-11.3%	+6.0%	-0.5%	-14.2%
2019 (YTD)	+5.3%	+3.1%											+8.5%

* Index refers to MSCI AC Asia Pacific (ex-Japan) Index (Total Net Return) up to 30 Apr 2016, thereafter it is the MSCI AC Asia (ex-Japan) Index (Total Net Return) due to a change in investment profile. MSCI (Total Net Return) Indices takes into account of dividend reinvestment after deduction of withholding tax.

[^] Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

Top 10 securities holdings ⁷

Name	Industry ⁸	%
China Construction Bank Corporation	Banks	5.5
Longfor Group Holdings Ltd	Real estate	3.9
Far East Horizon Ltd	Diversified financials	3.4
Ping An Insurance (Group) Co of China Ltd	Insurance	3.2
China Resources Power Holdings Co Ltd	Utilities	2.4
Far East Consortium International Ltd	Real estate	2.4
Qingdao Port International Co Ltd	Transportation	2.4
Samsung Electronics Co Ltd - Preference Shares	Technology, hardware & equipment	2.3
Taiwan Semiconductor Manufacturing Co Ltd	Semiconductors & semiconductor equipment	2.3
CK Asset Holdings Ltd	Real estate	2.2

These stocks constitute 30% of the Fund.

Portfolio characteristics

As at 28 Feb 2019	2019 ⁹
Price/earnings ratio	8.2 times
Price/book ratio	1.1 times
Portfolio yield	4.5%
Yield to maturity/put	N/A

Geographical exposure by listing ¹⁰

Hong Kong H Shares	31%
South Korea Red Chips	11%
Cash ¹¹	7%
Taiwan	6%
China A Shares	4%
India	3%
Indonesia	3%
Singapore	2%
Thailand	2%
Others	3%

Sector exposure ^{8, 10}

Real estate	16%
Industrials	15%
Consumer discretionary	13%
Banks	12%
Cash ¹¹	7%
Information technology	7%
Other financials	7%
Health care	6%
Insurance	6%
Utilities	4%
Consumer staples	3%
Communication services	2%
Others	2%

Fund facts

Manager:	Value Partners Hong Kong Limited
Base currency:	USD
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Custodian:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	Class A1 USD - 2 Sep 2002 Class A2 MDis USD - 28 Sep 2012 Class A2 MDis HKD - 23 Sep 2013 Class A2 MDis AUD/CAD/NZD Hedged - 23 Sep 2013 Class A Acc RMB Unhedged - 20 Mar 2014 Class A2 MDis RMB Unhedged - 1 Sep 2014 Class A2 MDis RMB Hedged - 10 Sep 2014 Class A Acc RMB Hedged - 11 Sep 2014 Class A2 MDis GBP Hedged - 12 Mar 2015 Class A2 MDis SGD Hedged - 23 Jan 2017
Dividend policy ² :	Class A2 MDis – aim at monthly distribution, subject to Manager's discretion

Fee structure

	Class A1	Class A2 MDis	Class A Acc
Minimum subscription	USD10,000 or HKD equivalent ⁶	USD10,000 / HKD80,000 / AUD10,000 / CAD10,000 / GBP10,000 / RMB60,000 / NZD10,000 / SGD10,000	RMB60,000
Minimum subsequent subscription	USD5,000 or HKD equivalent ⁶	USD5,000 / HKD40,000 / AUD5,000 / CAD5,000 / GBP5,000 / RMB30,000 / NZD5,000 / SGD5,000	RMB30,000
Subscription fee		Up to 5%	
Management fee		1.25% p.a.	
Performance fee ¹²		15% of profit (High-on-high principle)	
Redemption fee		Nil	
Dealing day		Daily	

Senior investment staff

Chairman & Co-Chief Investment Officer: Cheah Cheng Hye
Deputy Chairman & Co-Chief Investment Officer: Louis So
Deputy Chief Investment Officer: Renee Hung
Senior Investment Director: Norman Ho, CFA
Investment Directors: Chung Man Wing; Michelle Yu, CFA; Yu Xiao Bo
Senior Fund Managers: Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Philip Li, CFA; Luo Jing, CFA; Yu Chen Jun

Key corporate awards



Benchmark Fund of the Year Awards 2018, Hong Kong
Asia ex-Japan Equity House: Best-in-Class ¹³
 ~ Benchmark

I&M Professional Investment Awards 2018
House Performance Awards:
Offshore China Equity (10-year) ¹⁴
 ~ Insights & Mandate

Listed Company Awards of Excellence 2018
Outstanding Listed Company (Main Board Category) ¹⁵
 ~ Hong Kong Economic Journal

Scan QR code for fund documents ¹⁶:



Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. © 2019 Morningstar, Inc. All Rights Reserved (for Class A1). 2. The Manager currently intends to make monthly dividend distribution in respect of the A2 MDis Classes; actual dividend payout will be subject to the Manager's discretion. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount that have been originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units. For A1 Class units, Manager will review dividend distribution at its discretion once a year (last dividend payout date: 21 Nov 2005). Please refer to the explanatory memorandum for more details. 3. Each hedged share class will hedge the Fund's base currency back to its currency of denomination on a best efforts basis. However, the volatility of the hedged classes measured in the Fund's base currency may be higher than that of the equivalent class denominated in the Fund's base currency. The AUD/CAD/GBP/NZD/RMB/SGD Hedged Classes are not recommended for investors whose base currency of investment is not in the aforesaid currencies. 4. The receiving bank may charge a fee for incoming payments. Such fees will reduce the actual amount of dividends received by the investor. 5. Annualized yield of MDis Class is calculated as follows: (Latest dividend amount/NAV as at ex-dividend date) x 12. Investors should note that yield figures are estimated and for reference only and do not represent the performance of the Fund, and that there is no guarantee as to the actual frequency and/or amount of dividend payments. 6. Investors should note that the base currency of the Fund is in USD. The HKD equivalent NAV per unit is for reference only and should not be used for subscription or redemption purpose. Conversion to the base currency of the Fund will normally take place at the prevailing rate (as determined by the Fund's Trustee or Custodian) on the corresponding fund dealing day. Investors should be aware of possible risks resulting from fluctuations of exchange rates against USD. 7. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fi@vp.com.hk. 8. Classification is based on Global Industry Classification Standard (GICS). 9. The profile is based on market consensus forecast as derived from S&P Capital IQ and Bloomberg. Harmonic mean methodology is applied to calculate the forecast P/E ratio and P/B ratio. Note that the manager's internal estimates may differ significantly from S&P Capital IQ and Bloomberg estimates. Investors should note that all yield figures are for reference only and do not represent the actual performance of the Fund or the dividend yield received by investors, nor does a positive yield imply a positive return. "Dividend yield" is calculated based on the equity portion of the Fund, whereas "Yield to maturity/put" is calculated based on the debt portion of the Fund by taking the average of yields of individual holdings (being the higher of the yield to maturity and yield to put of each bond/convertible bond) after excluding event-driven investment with extremely high yield. 10. Exposure refers to net exposure (long exposure minus short exposure). Due to rounding, percentages shown may not add up to 100%. 11. Cash refers to net cash including cash equivalents, investment in money market funds but excluding cash for collaterals and margins. 12. Performance fee will only be charged if the NAV at the end of the financial year or upon realization of units exceeds the "high watermark", which is the all-time year-end high of the Fund's NAV. If in any one year, the Fund suffers a loss, no performance fee can be charged in subsequent years until the loss is recovered fully (the high-on-high principle). 13. The award reflects performance up to 30 September 2018. 14. The award reflects performance up to 31 December 2017. 15. The award recognises listed companies that were able to demonstrate outstanding business performance, create value for investors and showcase strong corporate governance over the past year. The award was bestowed on 5 November 2018. 16. For Hong Kong investors only.

Investors should note investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. Information in this report has been obtained from sources believed to be reliable but Value Partners Hong Kong Limited does not guarantee the accuracy or completeness of the information provided by third parties. Investors should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.

For Singapore investors: The Fund is registered as a restricted foreign scheme in Singapore and will only be distributed to (i) institutional investors and (ii) accredited investors and certain other persons in Singapore in accordance with section 304 and 305 of the Securities and Futures Act. Value Partners Asset Management Singapore Pte Ltd, Singapore Company Registration No. 200808225G. This advertisement has not been reviewed by the Monetary Authority of Singapore.

This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Hong Kong Limited.

Value Partners Greater China High Yield Income Fund

NAV per unit: USD15.48 (P Acc USD) / USD8.22 (P MDIs USD)

Fund size : USD5,749.2 million

February 2019

- Value Partners Greater China High Yield Income Fund (the "Fund") primarily invests in a portfolio of fixed and floating rate bonds and other debt securities, including convertible bonds, in the Greater China region.
- The Fund may invest in high yielding securities which may be unrated or below investment grade and debt securities issued by special purpose vehicles. The Fund is therefore exposed to higher credit/insolvency risk and default risk.
- The Fund primarily invests in the Greater China region and therefore is subject to emerging market and concentration risks. Generally, investments in emerging markets are more volatile than investments in developed markets due to additional risks relating to political, social, economic and regulatory uncertainty. Adverse development in such region may affect the value of the underlying securities in which the Fund invests.
- In respect of the distribution shares for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease of the net asset value per share of the Fund.
- The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- You should not make investment decision on the basis of this marketing material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Fund aims to provide capital appreciation by primarily investing in Greater China debt securities, including but not limited to high yield, convertible and mainland Chinese offshore bonds.

Commentary

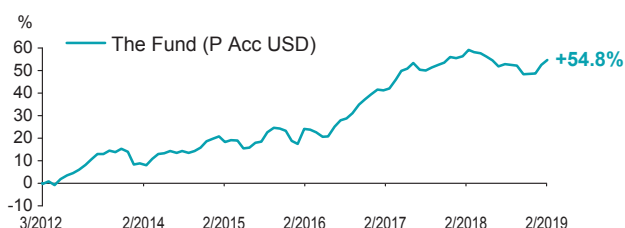
Portfolio review:

Asian credit markets continued their strong momentum in February as market participants continued to put money to work on the back of inflows. Like in January, attractive valuations, renewed hope for a better outcome in the US-China trade talks and a patient Fed drove the outperformance of the market. For the month, high yield issues outperformed their high grade counterparts, with lower-rated names leading in performance. We continued to deploy a large sum of capital into the market, mostly into Greater China names. We were extremely active in both the primary and secondary markets across the entire credit spectrum.

Outlook:

Asian credit markets remain cheap on a historical basis, especially Chinese credits. We remain within the cheapest band of the yield and spread spectrum for the past 10 years (excluding the extraordinary periods of the Global Financial Crisis and the Euro Crisis). The yield of the universe of Chinese high yield bonds is still about 300bps higher than that of comparable US high yield papers. In our view, the current market presents a very good risk/reward proposition for investors to consider. We will continue to deploy our capital to capture opportunities.

Performance since launch



Performance update

	The Fund (P Acc USD)
One month	+1.5%
Year-to-date	+4.0%
One year	-2.1%
Three years	+28.0%
Five years	+35.4%
Since launch	+54.8%
Annualized return [^]	+6.5%
Annualized volatility [^]	5.8%

The Fund – P Acc USD: Monthly performance from 27 Mar 2012 to 28 Feb 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2012	N/A	N/A	-0.3%	+1.2%	-1.7%	+2.7%	+1.6%	+1.0%	+1.4%	+2.1%	+2.3%	+2.1%	+13.0%
2013	+0.0%	+1.3%	-0.6%	+1.4%	-1.1%	-5.0%	+0.5%	-0.8%	+2.6%	+2.1%	+0.2%	+0.9%	+1.2%
2014	-0.7%	+0.7%	-0.7%	+0.8%	+1.3%	+2.3%	+1.0%	+0.9%	-2.2%	+0.8%	-0.2%	-2.9%	+1.1%
2015	+0.3%	+2.0%	+0.3%	+3.5%	+1.6%	-0.2%	-0.8%	-3.6%	-1.1%	+5.5%	-0.2%	-1.0%	+6.1%
2016	-1.5%	+0.2%	+3.6%	+2.2%	+0.6%	+1.8%	+2.9%	+1.8%	+1.6%	+1.5%	-0.2%	+0.6%	+15.9%
2017	+2.8%	+2.6%	+0.7%	+1.6%	-1.9%	-0.3%	+0.9%	+0.7%	+0.7%	+1.7%	-0.4%	+0.6%	+10.1%
2018	+1.8%	-0.6%	-0.3%	-1.0%	-1.2%	-1.7%	+0.7%	-0.2%	-0.2%	-2.5%	+0.1%	+0.1%	-4.9%
2019 (YTD)	+2.5%	+1.5%											+4.0%

[^] Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

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Dividend information – Class MDIs ¹

Classes ²	Dividend amount / unit	Annualized yield ³	Ex-dividend date
P MDIs USD	0.0621	9.1%	28-2-2019
P MDIs HKD	0.0622	9.0%	28-2-2019
P MDIs SGD Hedged	0.0630	8.5%	28-2-2019
A MDIs AUD Hedged	0.0609	9.1%	28-2-2019
A MDIs CAD Hedged	0.0595	8.8%	28-2-2019
A MDIs EUR Hedged	0.0482	6.6%	28-2-2019
A MDIs GBP Hedged	0.0576	8.2%	28-2-2019
A MDIs NZD Hedged	0.0652	9.3%	28-2-2019

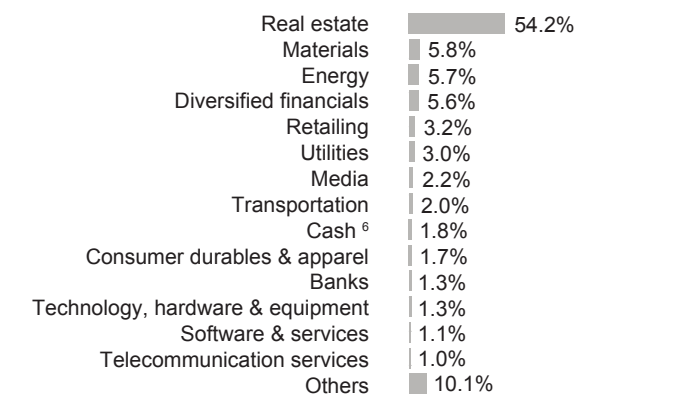
Top 10 securities holdings

Name	Sector ⁴	Country	%
Energy Resources LLC Float 09/30/2022	Materials	Mongolia	1.8
MNC Investama Tbk PT 9% 05/11/2021	Media	Indonesia	1.5
Panda Green Energy Group Ltd 8.25% 01/25/2020	Utilities	China/Hong Kong	1.4
Golden Wheel Tiandi Holdings Co Ltd 8.25% 11/03/2019	Real estate	China/Hong Kong	1.3
Powerlong Real Estate Holdings Ltd 5.95% 07/19/2020	Real estate	China/Hong Kong	1.1
Golden Wheel Tiandi Holdings Co Ltd 7% 01/18/2021	Real estate	China/Hong Kong	1.1
Easy Tactic Ltd 8.75% 01/10/2021	Real estate	China/Hong Kong	1.1
Yuzhou Properties Co Ltd 8.5% 02/04/2023	Real estate	China/Hong Kong	1.1
AMTD Group Co Ltd 5% 03/21/2019	Diversified financials	China/Hong Kong	1.1
Sunac China Holdings Ltd 7.35% 07/19/2021	Real estate	China/Hong Kong	1.0

NAVs & Codes

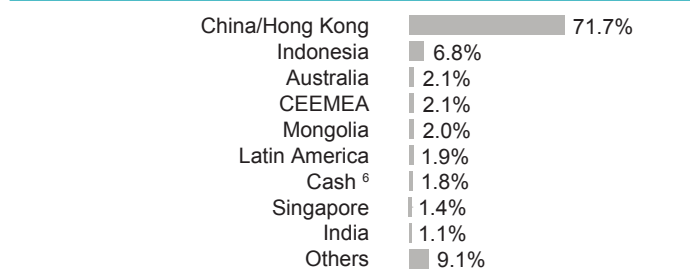
Classes ²	NAV	ISIN	Bloomberg
P Acc USD	15.48	KYG9319N1097	VPGPCUA KY
P Acc HKD	15.54	KYG9319N1253	VPGPCPA KY
P MDis USD	8.22	KYG9319N1170	VPGPUMD KY
P MDis HKD	8.27	KYG9319N1337	VPGPUMD KY
P MDis SGD Hedged	8.94	KYG9319N1824	VPPSHMA KY
A Acc EUR Hedged	10.13	KYG9319N3804	VPGAEHA KY
A MDis AUD Hedged	8.07	KYG9319N2327	VPGCAUD KY
A MDis CAD Hedged	8.16	KYG9319N2400	VPGCCAD KY
A MDis GBP Hedged	8.40	KYG9319N3317	VPGCAGH KY
A MDis EUR Hedged	8.80	KYG9319N3499	VCHAMEH KY
A MDis NZD Hedged	8.41	KYG9319N2574	VPGCHNZ KY

Sector exposure ^{4, 5}

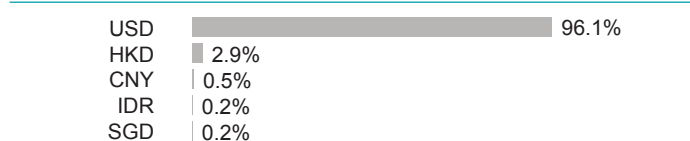


Average duration	1.8 years
Yield to worst ⁷	12.0%
Number of bond issuers	203

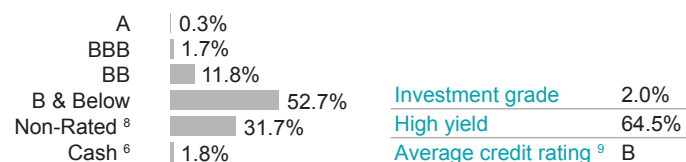
Geographical exposure ⁵



Currency breakdown



Credit ratings



Investment grade	2.0%
High yield	64.5%
Average credit rating ⁹	B

Fund facts

Manager:	Value Partners Hong Kong Limited
Base currency:	USD
Administrator:	HSBC Trustee (Cayman) Limited
Custodian:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	P Acc & MDis USD/HKD – 27 Mar 2012 A MDis AUD/CAD/NZD – 23 Sep 2013 P MDis SGD – 26 Sep 2014 A MDis EUR – 5 Feb 2015 A MDis GBP – 14 Apr 2015 A Acc EUR – 16 Jul 2018
Dividend policy ¹ :	MDis – Aim at Monthly distribution, subject to Manager's discretion

Fee structure (Class A and Class P)

Minimum subscription	HK\$80,000/USD10,000 or equivalent
Minimum subsequent subscription	HK\$40,000/USD5,000 or equivalent
Subscription fee	Up to 5%
Management fee	1.5% p.a.
Performance fee	Nil
Dealing day	Daily

Senior investment staff

Chairman & Co-Chief Investment Officer: Cheah Cheng Hye
Deputy Chairman & Co-Chief Investment Officer: Louis So
Deputy Chief Investment Officer: Renee Hung
Senior Investment Director: Norman Ho, CFA
Fixed income investment team:
Chief Investment Officer, Fixed Income: Gordon Ip, CFA
Senior Fund Managers: Elaine Hu; Edwin Kam, CFA; Jason Yan, CFA, ACCA
Key awards



Lipper Fund Awards Hong Kong 2018
Best US Dollar Bond Fund: High Yield (3 and 5-year) ¹⁰
 ~ Thomson Reuters

Benchmark Fund of the Year Awards 2018, Hong Kong
US Dollar High Yield Fixed Income Fund: Best-in-Class ¹¹
 ~ Benchmark

Offshore China Fund Awards 2018
Best Total Return – Greater China Fixed Income Fund (3 and 5-year): Winner ¹²
 ~ HKCAMA and Bloomberg

Scan QR code for fund documents¹³:



Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. The manager intends to declare and pay monthly dividends equal to all or substantially all of the net income attributable to each of the Distribution Classes. However, there is neither a guarantee that such dividends will be made nor will there be a target level of dividend payout. No dividends will be paid with respect to the Accumulation Classes. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount that have been originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units. Please refer to the Explanatory Memorandum for further details including the distribution policy. 2. Each hedged share class will hedge the Fund's base currency back to its currency of denomination on a best efforts basis. However, the volatility of the hedged classes measured in the Fund's base currency may be higher than that of the equivalent class denominated in the Fund's base currency. The AUD/CAD/EUR/GBP/NZD/SGD Hedged Classes are not recommended for investors whose base currency of investment is not in the aforesaid currencies. 3. Annualized yield of MDis Class is calculated as follows: (Latest dividend amount/NAV as at ex-dividend date) x 12. Investors should note that yield figures are estimated and for reference only and do not represent the performance of the Fund, and that there is no guarantee as to the actual frequency and/or amount of dividend payments. 4. Classification is based on Global Industry Classification Standard (GICS). 5. Exposure refers to net exposure (long exposure minus short exposure). Due to rounding, percentages shown may not add up to 100%. 6. Cash refers to net cash on hand excluding cash for collaterals and margins. 7. Investors should note that the Yield to worst figure is for reference only and does not represent the actual performance of the Fund or the dividend yield received by investors. A positive yield does not imply a positive return. 8. Including bonds whose issuers do not seek credit ratings (Greater China Paper 13.9%, Equity-linked Investments 7.3%, Loan 4.3%, Others 4.2%, Mongolia Bonds 1.9%). 9. The average credit rating is calculated by assigning a sequential integer to all credit ratings from AAA (highest) to D (lowest), taking a simple, asset-weighted average of debt holdings by market value and rounding to the nearest rating. The letter rating may be based on bond ratings from different agencies and is provided to indicate the average credit rating of the portfolio's underlying bonds without taking into account derivative positions and unrated securities. As the risk of default increases disproportionately as a bond's rating decreases, the simple weighted average of credit ratings is not a statistical measurement of the portfolio's default risk. 10. The award reflects the fund's 3 and 5-year performance up to the end of 2017. 11. The award reflects performance up to 30 September 2018. 12. The award reflects the fund's 3 and 5-year performance up to 30 September 2018. 13. For Hong Kong investors only.

The views expressed are the views of Value Partners Hong Kong Limited ("VPHK") only and are subject to change based on market and other conditions. The information provided does not constitute investment advice and it should not be relied on as such. All materials have been obtained from sources believed to be reliable, but their accuracy is not guaranteed. This material contains certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected. Investors should note investment involves risk and past performance is not indicative of future results. Investors should refer to the explanatory memorandum for details and risk factors in particular those associated with investment in Greater China markets, non-investment grade debt securities, and debt securities issued by special purpose vehicles. Investors should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.

For Singapore investors: The Fund is registered as a restricted foreign scheme in Singapore and will only be distributed to (i) institutional investors and (ii) accredited investors and certain other persons in Singapore in accordance with section 304 and 305 of the Securities and Futures Act. Value Partners Asset Management Singapore Pte Ltd, Singapore Company Registration No. 200808225G. This advertisement has not been reviewed by the Monetary Authority of Singapore. This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Hong Kong Limited.

Value Partners Fund Series

Value Partners Asian Total Return Bond Fund

NAV per unit: Class A Acc USD - USD10.22 | Class A MDis USD - USD9.75
Fund size : USD57.4 million

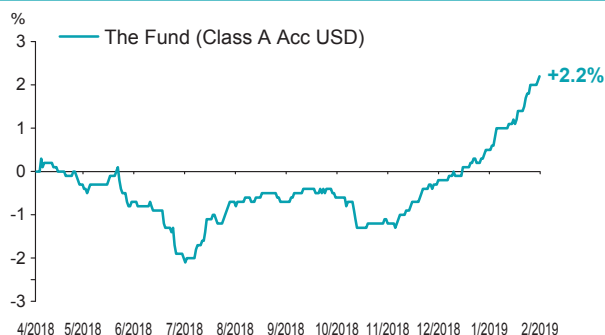
February 2019

- Value Partners Asian Total Return Bond Fund (the "Fund") primarily invests in fixed income securities issued by any Asia Pacific governments, government agencies, supra-nationals, banks or companies which derive substantial revenue from or have significant business or economic activities in Asia Pacific or are denominated in any Asia Pacific currency.
- The Fund primarily invests in the Asia Pacific markets and therefore is subject to emerging market and concentration risks. Generally, investments in emerging markets are more volatile than investments in developed markets due to additional risks relating to political, social, economic and regulatory uncertainty. Adverse development in such region may affect the value of the underlying securities in which the Fund invests.
- The Fund may also invest in PRC interbank bond market via Bond Connect and is therefore subject to regulatory risks and various risks such as volatility risk, liquidity risk, settlement and counterparty risk. The relevant rules and regulations on investment in the PRC interbank bond market via Bond Connect are subject to change and may adversely impact the Fund.
- The Fund may invest in high yielding securities which may be unrated or below investment grade and financial derivative instruments. The Fund is therefore exposed to additional risks, including volatility risk, valuation risk, leverage risk, liquidity risk, correlation risk, counterparty/credit risk, legal risk, over-the-counter transaction risk and settlement risk.
- In respect of the distribution shares for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease of the net asset value per share of the Fund.
- You should not make investment decision on the basis of this marketing material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

To provide a competitive total return, consisting of income and capital growth over the medium to longer term, by investing primarily in fixed income securities issued by an Asia Pacific governments, governments agencies, supra-nationals, banks or companies which derive substantial revenue from or have significant business or economic activities in Asia Pacific or are denominated in any Asia Pacific currency.

Performance since launch



Performance update

	The Fund (Class A Acc USD)
One month	+1.2%
Six months	+2.7%
Year-to-date	+2.3%
Since launch	+2.2%
Annualized return [^]	N/A
Annualized volatility [^]	N/A

Dividend information – Class MDis ¹

Classes ²	Dividend amount / unit	Annualized yield ³	Ex-dividend date
Class A MDis USD Unhedged	0.0457	5.6%	28-2-2019
Class A MDis AUD Hedged	0.0456	5.6%	28-2-2019
Class A MDis CAD Hedged	0.0429	5.3%	28-2-2019
Class A MDis HKD Unhedged	0.0457	5.6%	28-2-2019
Class A MDis NZD Hedged	0.0461	5.8%	28-2-2019
Class A MDis RMB Hedged	0.0582	7.3%	28-2-2019
Class A MDis RMB Unhedged	0.0465	5.4%	28-2-2019

Top 5 securities holdings

Name	Sector ⁴	Country	%
Azure Orbit IV International Finance Ltd 3.5% 01/25/2021	Diversified financials	China	3.5
China Cinda Finance 2017 I Ltd 4.75% 02/21/2029	Diversified financials	China	3.5
Mitsui Sumitomo Insurance Co Ltd 4.95% PERP 03/06/2064	Insurance	Japan	3.5
Huarong Finance 2017 Co Ltd 4.5% PERP 01/24/2022	Diversified financials	China	3.4
Sun Hung Kai Properties Capital Market Ltd 3.75% 02/25/2029	Real estate	Hong Kong	3.4

Sector exposure ^{4, 5}

Real estate	43.0%
Diversified financials	21.0%
Banks	6.7%
Government	5.4%
Insurance	3.5%
Energy	3.2%
Media	3.1%
Materials	3.0%
Transportation	2.8%
Chemicals	2.6%
Telecommunication services	1.8%
Cash ⁶	1.6%
Utilities	0.9%
Food, beverage & tobacco	0.7%
Textiles	0.7%

Average duration	3.5 years
Yield to worst ⁷	7.4%
Number of bond issuers	50

Geographical exposure ⁵

China	70.9%
Hong Kong	7.8%
Japan	4.4%
Indonesia	4.2%
Thailand	2.2%
Philippines	1.8%
Singapore	1.8%
Middle East	1.7%
Cash ⁶	1.6%
India	1.5%
Qatar	0.9%
Saudi Arabia	0.7%
Australia	0.5%

The Fund – Class A Acc USD: Monthly performance from 9 Apr 2018 to 28 Feb 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2018	N/A	N/A	N/A	+0.0%	-0.4%	-0.9%	+0.3%	+0.5%	+0.1%	-0.7%	+0.1%	+0.9%	-0.1%
2019 (YTD)	+1.1%	+1.2%											+2.3%

[^] Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

NAVs & Codes

Classes ²	NAV	ISIN	Bloomberg
Class A Acc USD Unhedged	10.22	HK0000402450	VPATAUU HK
Class A Acc HKD Unhedged	10.22	HK0000402351	VPATANU HK
Class A MDis USD Unhedged	9.75	HK0000402468	VPATAUM HK
Class A MDis AUD Hedged	9.71	HK0000402328	VPATAAH HK
Class A MDis CAD Hedged	9.66	HK0000402344	VPATACM HK
Class A MDis HKD Unhedged	9.74	HK0000402369	VPATAHU HK
Class A MDis NZD Hedged	9.60	HK0000402385	VPATANH HK
Class A MDis RMB Hedged	9.62	HK0000402401	VPATAHM HK
Class A MDis RMB Unhedged	10.35	HK0000402427	VPATARM HK

Currency breakdown

USD 100.0%

Credit ratings

AA	1.7%
A	13.9%
BBB	56.2%
B & Below	21.7%
Non-Rated	4.9%
Cash ⁶	1.6%
Investment grade	71.8%
High yield	21.7%

Fund facts

Manager:	Value Partners Hong Kong Limited
Base currency:	USD
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	9 April 2018
	Class A Acc USD Unhedged
	Class A Acc HKD Unhedged
	Class A MDis USD Unhedged
	Class A MDis AUD Hedged
	Class A MDis CAD Hedged
	Class A MDis HKD Unhedged
	Class A MDis NZD Hedged
	Class A MDis RMB Hedged
	Class A MDis RMB Unhedged
Dividend policy ¹ :	MDis – Aim at Monthly distribution, subject to Manager's discretion

Fee structure

	Class A
Minimum subscription	USD10,000 or equivalent
Minimum subsequent subscription	USD5,000 or equivalent
Subscription fee	Up to 5%
Redemption fee	Nil
Management fee	1.25% p.a.
Performance fee	N/A
Dealing day	Daily

Senior investment staff

Chairman & Co-Chief Investment Officer: Cheah Cheng Hye
Deputy Chairman & Co-Chief Investment Officer: Louis So
Deputy Chief Investment Officer: Renee Hung
Senior Investment Director: Norman Ho, CFA
Fixed income investment team:
Chief Investment Officer, Fixed Income: Gordon Ip, CFA
Senior Fund Managers: Elaine Hu; Edwin Kam, CFA; Jason Yan, CFA, ACCA

Key fixed income awards



I&M Professional Investment Awards 2018
Cross Border Awards: CIO of the Year
(Fixed Income) – Gordon Ip ⁸
 ~ Insights & Mandate

The Asset Benchmark Research Awards 2018
Top Investment House in Hedge Fund Category ⁹
 ~ The Asset

Benchmark Fund of the Year Awards 2018,
Hong Kong
High Yield Fixed Income House:
Outstanding Achiever ¹⁰
 ~ Benchmark

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. The manager intends to declare and pay monthly dividends equal to all or substantially all of the net income attributable to each of the Distribution Classes. However, there is neither a guarantee that such dividends will be made nor will there be a target level of dividend payout. No dividends will be paid with respect to the Accumulation Classes. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount that have been originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units. Please refer to the Explanatory Memorandum for further details including the distribution policy. 2. Each hedged share class will hedge the Fund's base currency back to its currency of denomination on a best efforts basis. However, the volatility of the hedged classes measured in the Fund's base currency may be higher than that of the equivalent class denominated in the Fund's base currency. The AUD/CAD/NZD/RMB/SGD Hedged Classes are not recommended for investors whose base currency of investment is not in the aforesaid currencies. 3. Annualized yield of MDis Class is calculated as follows: (Latest dividend amount/NAV as at ex-dividend date) x 12. Investors should note that yield figures are estimated and for reference only and do not represent the performance of the Fund, and that there is no guarantee as to the actual frequency and/or amount of dividend payments. 4. Classification is based on Global Industry Classification Standard (GICS). 5. Exposure refers to net exposure (long exposure minus short exposure). Due to rounding, percentages shown may not add up to 100%. 6. Cash refers to net cash on hand excluding cash for collaterals and margins. 7. Investors should note that Yield to worst is for reference only and does not represent the actual performance of the Fund or the dividend yield received by investors, nor does a positive yield imply a positive return. 8. The award reflects performance up to 31 December 2017. 9. Announced in October 2018 based on the number of votes. All votes are subject to a weighting methodology. 10. The award reflects performance up to 30 September 2018.

Investors should note investment involves risk and past performance is not indicative of future results. Investors should refer to the explanatory memorandum for details and risk factors in particular those associated with investment in Greater China markets, non-investment grade debt securities, and debt securities issued by special purpose vehicles. Investors should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you.

For Singapore investors: The Fund is registered as a restricted foreign scheme in Singapore and will only be distributed to (i) institutional investors and (ii) accredited investors and certain other persons in Singapore in accordance with section 304 and 305 of the Securities and Futures Act. Value Partners Asset Management Singapore Pte Ltd, Singapore Company Registration No. 200808225G. This advertisement has not been reviewed by the Monetary Authority of Singapore.

This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Hong Kong Limited.

Value Partners Multi-Asset Fund

A brand new investment strategy since June 2018

NAV per unit: Class A Acc USD: USD10.71

Fund size : USD60.8 million

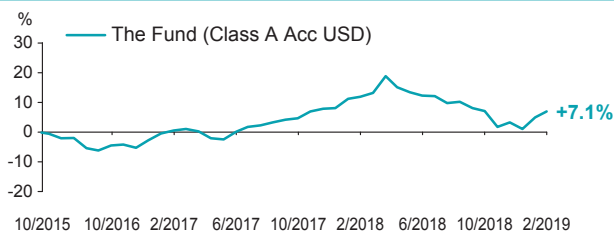
February 2019

- Value Partners Multi-Asset Fund (The "Fund") aims to achieve capital growth by investing across a range of asset classes and currencies globally including equities, debt securities, commodities, collective investment schemes, listed exchange traded funds ("ETFs"), real estate investment trusts ("REITs") and money market instruments which are primarily linked to the global trend of economies.
- The Fund adopts a dynamic asset allocation strategy which may be periodically rebalanced and therefore the Fund may incur greater transaction costs than a fund with static allocation strategy.
- The Fund may invest in small and mid-capitalization companies and emerging markets and therefore subject to higher volatility and lower liquidity in general.
- The Fund may invest in debt securities which may be unrated or below investment grade and financial derivative instruments. The Fund is therefore exposed to additional risks, including volatility risk, valuation risk, leverage risk, liquidity risk, correlation risk, counterparty/credit risk, legal risk, over-the-counter transaction risk and settlement risk, and may expose the Fund to significant losses.
- The Fund may invest in contingent convertible bonds which are risky and highly complex instruments. These instruments may be subject to conversion risk e.g. compulsory conversion by the issuer upon uncontrollable triggering events and hence the Fund may experience losses.
- In respect of the distribution units for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Fund aims to achieve capital growth by investing in global markets which are primarily linked to the global trend of economies. Currently it primarily invests in Asian markets, with a particular focus on China equities, fixed income securities (investment-grade and high-yield) and other alternative income sources to capture opportunities across different market cycles.

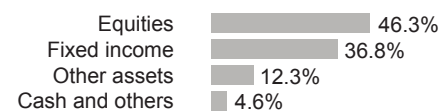
Performance since launch ¹



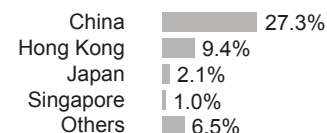
Performance update ¹

	The Fund (Class A Acc USD)
One month	+1.9%
Three months	+3.6%
Six months	-1.0%
Year-to-date	+5.8%
One year	-7.0%
Since launch	+7.1%
Annualized return [^]	+2.1%
Annualized volatility [^]	5.5%

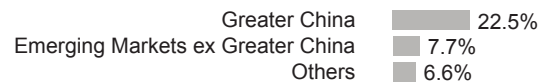
By asset class ²



Equities – by country ²



Fixed income – by region ²



Top 5 equity holdings

Holdings	Industry ³	Country	%
AIA Group Ltd	Financials	Hong Kong	1.7
BOC Aviation Ltd	Industrials	China	1.4
PICC Property & Casualty Co Ltd	Financials	China	1.4
Anhui Conch Cement Co Ltd	Materials	China	1.3
CLP Holdings	Utilities	Hong Kong	1.1

Top 5 fixed income holdings

Holdings	Sector ³	Country	%
Energy Resources LLC Float 09/30/2022	Materials	Mongolia	0.4
Golden Wheel Tiandi Holdings Co Ltd 8.25% 11/03/2019	Real estate	China/Hong Kong	0.3
MNC Investama Tbk PT 9% 05/11/2021	Media	Indonesia	0.3
Panda Green Energy Group Ltd 8.25% 01/25/2020	Utilities	China/Hong Kong	0.3
Powerlong Real Estate Holdings Ltd 5.95% 07/19/2020	Real estate	China/Hong Kong	0.3

The Fund – Class A Acc USD: Monthly performance from 13 Oct 2015 to 28 Feb 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.4%	-1.5%	+0.1%	-1.8%
2016	-3.5%	-0.8%	+1.8%	+0.3%	-1.1%	+2.6%	+2.4%	+1.0%	+0.5%	-0.8%	-2.3%	-0.4%	-0.5%
2017	+2.7%	+1.6%	+0.5%	+1.0%	+0.9%	+0.5%	+2.2%	+0.8%	+0.2%	+2.9%	+0.6%	+1.2%	+16.0%
2018	+4.9%	-3.1%	-1.5%	-1.0%	-0.2%	-2.0%	+0.4%	-1.9%	-0.9%	-4.9%	+1.5%	-2.1%	-10.7%
2019 (YTD)	+3.9%	+1.9%											+5.8%

[^] Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

NAVs & codes

Classes	NAV	ISIN	Bloomberg
Class A Acc USD	10.71	HK0000269149	VPMAAUS HK
Class A Acc HKD	10.69	HK0000269156	VPMAHKD HK
Class A USD MDis	9.16	HK0000408119	VPMAUMD HK
Class A HKD MDis	9.15	HK0000408127	VPMAHMD HK
Class A AUD (Hedged) MDis	9.03	HK0000408135	VPMAAHM HK

Portfolio characteristics

As at 28 Feb 2019	2019
Portfolio yield ⁴	7.6%

Dividend information – Class MDis ⁵

Classes ⁶	Dividend amount / unit	Annualized yield ⁷	Ex-dividend date
Class A USD MDis	0.0528	6.9%	28-2-2019
Class A HKD MDis	0.0527	6.9%	28-2-2019
Class A AUD (Hedged) MDis	0.0520	6.9%	28-2-2019

Fund facts

Manager:	Value Partners Hong Kong Limited
Base currency:	USD
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Custodian:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	Class A Acc USD - 13 Oct 2015 Class A Acc HKD - 18 Aug 2016 Class A USD MDis - 19 Jun 2018 Class A HKD MDis - 19 Jun 2018 Class A AUD (Hedged) MDis - 19 Jun 2018

Fee structure

	Class A
Minimum subscription	USD10,000 or equivalent
Minimum subsequent subscription	USD5,000 or equivalent
Subscription fee	Up to 5%
Management fee	1.75% p.a.
Dealing day	Daily

Senior investment staff

Chairman & Co-Chief Investment Officer: [Cheah](#) Cheng Hye
Deputy Chairman & Co-Chief Investment Officer: Louis [So](#)
Deputy Chief Investment Officer: Renee [Hung](#)
Senior Investment Director: Norman [Ho](#), CFA
Investment Directors: [Chung](#) Man Wing; Michelle [Yu](#), CFA; [Yu](#) Xiao Bo
Senior Fund Managers: Anthony [Chan](#), CFA; Kelly [Chung](#), CFA; Doris [Ho](#); Glenda [Hsia](#); Amy [Lee](#), CFA, CAIA; Philip [Li](#), CFA; [Luo](#) Jing, CFA; [Yu](#) Chen Jun

Key corporate awards



Benchmark Fund of the Year Awards 2018, Hong Kong
Asia ex-Japan Equity House: Best-in-Class ⁸
 ~ Benchmark

I&M Professional Investment Awards 2018
House Performance Awards:
Offshore China Equity (10-year) ⁹
 ~ Insights & Mandate

Listed Company Awards of Excellence 2018
Outstanding Listed Company (Main Board Category) ¹⁰
 ~ Hong Kong Economic Journal

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. Effective 19 Jun 2018, the Fund has been changed from a fund of funds investing in multi-assets to a multi-asset fund and therefore the investment objective and policies have also been changed. Performance prior to 19 Jun 2018 was achieved under circumstances that no longer apply. Please refer to the offering document for details. 2. Exposure refers to net exposure (long exposure minus short exposure). Due to rounding, percentages shown may not add up to 100%. 3. Classification is based on Global Industry Classification Standard (GICS). 4. Portfolio yield is the weighted average of the total dividend yield of all securities in the portfolio. 5. The manager intends to declare and pay monthly dividends equal to all or substantially all of the net income attributable to each of the Distribution Classes. However, there is neither a guarantee that such dividends will be made nor will there be a target level of dividend payout. No dividends will be paid with respect to the Accumulation Classes. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount that have been originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units. Please refer to the Explanatory Memorandum for further details including the distribution policy. 6. Each hedged share class will hedge the Fund's base currency back to its currency of denomination on a best efforts basis. However, the volatility of the hedged classes measured in the Fund's base currency may be higher than that of the equivalent class denominated in the Fund's base currency. The AUD/CAD/NZD/EUR/GBP/RMB/SGD Hedged Classes are not recommended for investors whose base currency of investment is not in the aforesaid currencies. 7. Annualized yield of MDis Class is calculated as follows: (Latest dividend amount/NAV as at ex-dividend date) x 12. Investors should note that yield figures are estimated and for reference only and do not represent the performance of the Fund, and that there is no guarantee as to the actual frequency and/or amount of dividend payments. 8. The award reflects performance up to 30 September 2018. 9. The award reflects performance up to 31 December 2017. 10. The award recognises listed companies that were able to demonstrate outstanding business performance, create value for investors and showcase strong corporate governance over the past year. The award was bestowed on 5 November 2018.

Investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. The information provided does not constitute investment advice and it should not be relied on as such. All material has been obtained from sources believed to be reliable, but its accuracy is not guaranteed.

This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Hong Kong Limited.

Value Partners Fund Series

Value Partners Asian Income Fund

NAV per unit: Class A USD Acc - USD10.23 | Class A USD MDIs - USD9.56
Fund size : USD91.2 million

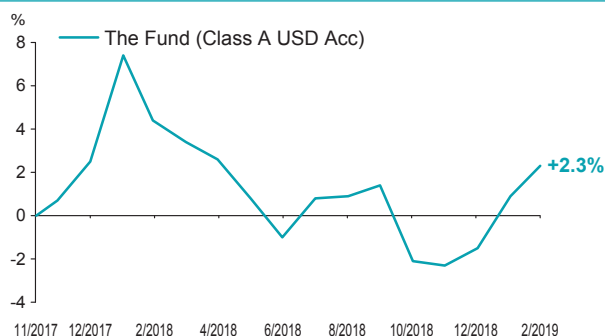
February 2019

- Value Partners Asian Income Fund (The "Fund") invests primarily in Asian equity and/or fixed income securities including convertible bonds and to deliver lower portfolio volatility.
- The Fund is subject to concentration risk as a result of the concentration of its investments in the Asian markets. The Fund may be more volatile than a broadly based fund as it is more susceptible to fluctuation in value resulting from adverse conditions in the Asian market.
- The Fund may invest in small and mid-capitalization companies. The stocks of such companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalization companies in general.
- The Fund may invest in debt securities including those that are below investment grade/unrated, and may involve greater risks, including credit risk, issuer-specific risk, counterparty risk and sovereign debt risk. The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk. All these may expose the Fund to significant losses.
- Investment in fixed income securities may include contingent convertible bonds whose structure is innovative and untested. These instruments may be subject to conversion risk e.g. compulsory conversion by the issuer upon uncontrollable triggering events and hence the Fund may experience losses.
- In respect of the distribution units for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Fund aims to maximize return and income by investing in Asian equities, Asian fixed income securities and other assets relating to Asian companies that are listed in Asia, or have registered offices in Asia or generate a predominant share of their sales and/or their profits in Asia. The Fund also aims to achieve lower portfolio volatility by actively screening and selecting a combination of lower volatility equities and fixed income securities.

Performance since launch



Performance update

	The Fund (Class A USD Acc)
One month	+1.4%
Year-to-date	+3.9%
One year	-2.0%
Since launch	+2.3%
Annualized return [^]	+1.8%
Annualized volatility [^]	7.5%

Top 5 equity holdings

Holdings	Industry ¹	Country	%
CSOP FTSE China A50 ETF	Others	China	5.6
Ascendas Real Estate Inv Trust	REITS	Singapore	1.8
Far EastOne Telecommunications Co Ltd	Telecom services	Taiwan	1.6
China Construction Bank Corporation	Banks	Hong Kong	1.4
Singapore Telecommunications Ltd	Telecom services	Singapore	1.3

Top 5 fixed income holdings

Holdings	Sector ¹	Country	%
eHi Car Services Ltd 5.875% 08/14/2022	Industrials	China	2.0
Indika Energy Capital II Pte 6.875% 04/10/2022	Energy	Indonesia	1.7
Powerlong Real Estate Holdings Ltd 6.95% 04/17/2021	Real estate	China	1.7
Medco Platinum Road Pte Limited 6.75% 01/30/2025	Energy	Indonesia	1.6
Postal Savings Bank of China Co Ltd 4.5% PERP	Financials	China	1.6

Dividend information – Class MDIs²

Classes ³	Dividend amount / unit	Annualized yield ⁴	Ex-dividend date
Class A AUD Hedged MDIs	0.0431	5.5%	28-2-2019
Class A CAD Hedged MDIs	0.0430	5.5%	28-2-2019
Class A HKD Unhedged MDIs	0.0437	5.5%	28-2-2019
Class A NZD Hedged MDIs	0.0431	5.5%	28-2-2019
Class A RMB Hedged MDIs	0.0574	7.3%	28-2-2019
Class A RMB Unhedged MDIs	0.0441	5.5%	28-2-2019
Class A USD Unhedged MDIs	0.0435	5.5%	28-2-2019

The Fund – Class A USD Acc: Monthly performance from 13 Nov 2017 to 28 Feb 2019

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	+0.7%	+1.8%	+2.5%
2018	+4.8%	-2.8%	-1.0%	-0.8%	-1.8%	-1.8%	+1.8%	+0.1%	+0.5%	-3.5%	-0.2%	+0.8%	-3.9%
2019 (YTD)	+2.4%	+1.4%											+3.9%

[^] Annualized return and volatility are calculated from inception. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

NAVs & codes

Classes ³	NAV	ISIN	Bloomberg
Class A USD Unhedged Acc	10.23	HK0000352374	VPUSUAU HK
Class A AUD Hedged MDis	9.47	HK0000352259	VPAAHMU HK
Class A CAD Hedged MDis	9.45	HK0000352267	VPACHMU HK
Class A HKD Unhedged MDis	9.62	HK0000352291	VPAHUMU HK
Class A NZD Hedged MDis	9.47	HK0000352309	VPANHMU HK
Class A RMB Hedged MDis	9.48	HK0000352317	VPARHMU HK
Class A RMB Unhedged MDis	9.64	HK0000352325	VPARUMU HK
Class A USD Unhedged MDis	9.56	HK0000352382	VPAUHMU HK
Class A HKD Unhedged Acc	10.29	HK0000352283	VPAHUAU HK

Asset type (%)⁵

	Equities	Fixed Income	Total
China	-	33.1	33.1
Taiwan	12.3	-	12.3
Singapore	7.5	1.5	9.0
Hong Kong	7.0	-	7.0
H Shares	6.5	-	6.5
China A Shares	5.6	-	5.6
Indonesia	1.1	3.3	4.4
Malaysia	3.2	-	3.2
South Korea	2.3	0.9	3.2
Red Chips	3.0	-	3.0
Thailand	3.0	-	3.0
India	0.4	1.0	1.4
China B Shares	0.6	-	0.6
Cash ⁶ & others	-	-	7.7
Total	52.5	39.8	100.0

Credit ratings of fixed income

A	5.4%
BBB	4.4%
BB	6.8%
B & Below	20.0%
Non-rated ⁷	3.2%

Portfolio characteristics

As at 28 Feb 2019	2019
Portfolio yield ⁸	5.5%

Fund facts

Manager:	Value Partners Hong Kong Limited
Base currency:	USD
Trustee:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	13 Nov 2017
	Class A USD Unhedged Acc
	Class A AUD Hedged MDis
	Class A CAD Hedged MDis
	Class A HKD Unhedged MDis
	Class A NZD Hedged MDis
	Class A RMB Hedged MDis
	Class A RMB Unhedged MDis
	Class A USD Unhedged MDis
	Class A HKD Unhedged Acc

Fee structure (Class A)

Share classes	Acc	MDis
	Unhedged: HKD/SGD/USD Hedged: SGD	Unhedged: HKD/RMB/SGD/USD Hedged: AUD/CAD/EUR/NZD/ RMB/SGD
Minimum subscription	USD10,000 or equivalent	
Minimum subsequent subscription	USD5,000 or equivalent	
Subscription fee	Up to 5%	
Redemption fee	Nil	
Management fee	1.5% p.a.	
Performance fee	N/A	
Dealing day	Daily	

Senior investment staff

Chairman & Co-Chief Investment Officer: Cheah Cheng Hye
Deputy Chairman & Co-Chief Investment Officer: Louis So
Deputy Chief Investment Officer: Renee Hung
Senior Investment Director: Norman Ho, CFA
Investment Directors: Chung Man Wing; Michelle Yu, CFA; Yu Xiao Bo
Senior Fund Managers: Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Philip Li, CFA; Luo Jing, CFA; Yu Chen Jun
Fixed income investment team:
Chief Investment Officer, Fixed Income: Gordon Ip, CFA
Senior Fund Managers: Elaine Hu; Edwin Kam, CFA; Jason Yan, CFA, ACCA

Key fixed income awards



I&M Professional Investment Awards 2018
Cross Border Awards: CIO of the Year (Fixed Income) – Gordon Ip⁹
 ~ Insights & Mandate

The Asset Benchmark Research Awards 2018
Top Investment House in Hedge Fund Category¹⁰
 ~ The Asset

Benchmark Fund of the Year Awards 2018,
Hong Kong
High Yield Fixed Income House: Outstanding Achiever¹¹
 ~ Benchmark

Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only.

1. Classification is based on Global Industry Classification Standard (GICS). 2. The manager intends to declare and pay monthly dividends equal to all or substantially all of the net income attributable to each of the Distribution Classes. However, there is neither a guarantee that such dividends will be made nor will there be a target level of dividend payout. No dividends will be paid with respect to the Accumulation Classes. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount that have been originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units. Please refer to the Explanatory Memorandum for further details including the distribution policy. 3. Each hedged share class will hedge the Fund's base currency back to its currency of denomination on a best efforts basis. However, the volatility of the hedged classes measured in the Fund's base currency may be higher than that of the equivalent class denominated in the Fund's base currency. The AUD/CAD/EUR/NZD/RMB/SGD Hedged Classes are not recommended for investors whose base currency of investment is not in the aforesaid currencies. 4. Annualized yield of MDis Class is calculated as follows: (Latest dividend amount/NAV as at ex-dividend date) x 12. Investors should note that yield figures are estimated and for reference only and do not represent the performance of the Fund, and that there is no guarantee as to the actual frequency and/or amount of dividend payments. 5. Equities are classified by country of listing and fixed income securities are classified by country of risk. 6. Cash: 6.9%, refers to net cash on hand excluding cash for collaterals and margins. 7. Including bonds whose issuers do not seek credit ratings. 8. Portfolio yield is the weighted average of the total dividend yield of all securities in the portfolio. 9. The award reflects performance up to 31 December 2017. 10. Announced in October 2018 based on the number of votes. All votes are subject to a weighting methodology. 11. The award reflects performance up to 30 September 2018.

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For Singapore investors: The Fund is registered as a restricted foreign scheme in Singapore and will only be distributed to (i) institutional investors and (ii) accredited investors and certain other persons in Singapore in accordance with section 304 and 305 of the Securities and Futures Act. Value Partners Asset Management Singapore Pte Ltd, Singapore Company Registration No. 200808225G. This advertisement has not been reviewed by the Monetary Authority of Singapore.

This document has not been reviewed by the Securities and Futures Commission of Hong Kong. Issuer: Value Partners Hong Kong Limited.