

【 For Immediate Release 】
**Value Partners Group announces 2019 interim results,
deepens presence regionally and farther afield**
Highlights

- **Net profit** rose 29.1% to HK\$250.9 million in the first half of 2019 from HK\$194.3 million a year ago.
- Recorded **net subscriptions** of US\$1,756 million and **positive fund returns** of US\$1,584 million in the first half of 2019.
- **Assets under management (“AUM”)** reached US\$18.1 billion as at 30 June 2019, a notable hike of 20.1% from US\$15.0 billion at the end of 2018.
- **Gross management fees** declined 4.7% to HK\$679.5 million from HK\$712.9 million six months ago on a 3.9% decrease in the average AUM to US\$17,048 million.
- **Mainland China related business – Further breakthroughs and accelerating growth**
 - AUM of our mainland China related business increased by over 35% to finish at US\$1.5 billion, accounting for 8% of the Group's AUM.
 - Two more China onshore funds from us had completed the registration with the Asset Management Association of China under the private fund management (“PFM”) license during the first half of 2019 since the license was granted in November 2017, making us managing a total of six PFM funds on the mainland
 - Launched Flagship Classic Fund on the mainland under the Mutual Recognition of Funds (“MRF”) program in March 2019.
 - Ranked as a Top 10 Wholly Foreign Owned Enterprise (“WFOE”) operating on the mainland by independent consultancy Z-Ben Advisor, and awarded as one of the “Most Promising WFOE Private Fund Houses” at the 10th Golden Sunshine Award by *Shanghai Securities News* and the “China - Best WFOE House” by *Asia Asset Management*.
- **Strides in expanding product suite**
 - In the alternative space, completed the first closing of its Asia Pacific-focused private debt fund¹ in January 2019.
 - Aim to complete its inaugural onshore private equity fund¹ on the mainland focusing on the higher education sector in the near future.
 - Launched the Asian Innovation Opportunities Fund² in Hong Kong in February 2019 that applies multi-asset strategy.
- **Global business – Deepening presence regionally and farther afield**
 - Opened an office in Boston early this year to better serve the North American institutional clients.
 - In Europe, completed the restructuring of UCITS fund platform.
 - Target to launch new innovative products including Shariah-compliant funds and Southeast Asia-focused smart ETFs in Malaysia.

Financial results

(in US\$ million)	30/6/2019	31/12/2018	Change
Assets under management	18,052	15,025	+20.1%
(In HK\$ million)	1H 2019	1H 2018	Change
Profit attributable to owners of the Company	250.9	194.3	+29.1%
Total revenue	815.1	958.1	-14.9%
Gross management fees	679.5	712.9	-4.7%
Gross performance fees	3.4	50.7	-93.3%

Total expenses	(258.5)	(266.9)	-3.1%
Operating profit (before other gains or losses)	162.0	246.1	-34.2%
Other gains (losses) - net	107.4	(55.4)	+293.9%
Basic earnings per share (HK cents)	13.5	10.5	+28.6%
Diluted earnings per share (HK cents)	13.5	10.5	+28.6%
Interim dividend per share (HK cents)	Nil	Nil	

(Hong Kong, 19 August 2019) — Value Partners Group Limited (together with its subsidiaries, “Value Partners” or “the Group”, Hong Kong Stock Code: 806) is pleased to announce today its interim results for the six months ended 30 June 2019.

Dr. AU King Lun, President of Value Partners Group, commented on the Group’s business and financial performance:

Global financial markets experienced a turbulent ride in the first half of 2019 primarily due to the U.S.-China trade overhang and sluggish global economic growth. However, notwithstanding the jump in market volatility since early May, we recorded a double-digit year-on-year increase in profit attributable to owners of the Company and ended the first half with a boost in assets under management. We are pleased to report that we have made further progress on the mainland China with the launch of Classic Fund, our first public fund on the mainland of China, under the Mainland-Hong Kong Mutual Recognition of Fund (“MRF”) scheme. The successful first closing of our private debt fund¹ in January 2019 was another major milestone for us.

Mainland China related business – Further breakthroughs and accelerating growth

This year not only signifies a new chapter of China’s capital market, but it also has been a decade since we established our first Shanghai office in 2009.

During the past decade, we have identified and participated in many opportunities on the mainland, making them a crucial part of our success story. The positive momentum continued well into the first half of 2019, with our AUM on the mainland and related business increasing by more than 35% to finish at US\$1.5 billion.

Furthermore, under the MRF program, we launched our flagship Classic Fund on the mainland of China. Through the strategic partnership with our mainland master agent of the Fund, we are able to meet Chinese investors’ growing demand for overseas investments through our longest-standing fund. In addition, we established a total of 6 private fund management mandates since we became the first Hong Kong-based asset manager to be granted the PFM license in November 2017.

As China quickens the pace of financial reforms, we will continue to seize every opportunity to further develop our China related business and expand our services.

Strides in expanding product suite

Value Partners’ product suite has grown from a single equity fund at the time of the Group’s founding in 1993 to what’s now a family of more than 40 funds spanning equities, fixed income, multi-asset, quantitative investment solutions (“QIS”) and alternatives. Over the period, we made great inroads in growing our alternative investment capabilities, which cover private equity and private debt.

On the alternatives space, we completed successfully the first closing of our Asia Pacific-focused private debt fund¹ in January 2019 and aim to complete our inaugural onshore private equity fund¹ on the mainland focusing on the higher education sector in the near future.

In February this year, we have further broadened our multi-asset solution by launching an Asian Innovation Opportunities Fund. It is a public fund authorized² in Hong Kong that targets to invest in Asian companies benefiting from business and product innovation.

Deepening presence regionally and farther afield

Geographically, we have expanded our presence farther afield with the opening of our U.S. office in Boston at the beginning of the year. With this latest overseas office, our global footprints have extended beyond Hong Kong and mainland China to the U.S., the U.K., Singapore and Malaysia. We have seen encouraging inflows and business opportunities across all our overseas offices since the beginning of the year.

In Europe, we recently completed the restructuring of our UCITS fund platform and are now planning to register selected UCITS funds for sales in Hong Kong and other parts of Asia.

In Taiwan, we have received good inflows from institutional investors into our fixed income and equity products. To further broaden our distribution, we recently appointed a local master agent to help introduce our flagship funds to local investors.

Southeast Asia, an important component of China's Belt and Road initiative, is another business focus for us in 2019. For the past year, we have been proactively preparing for business expansion in Malaysia, where we will be launching new innovative products, including Shariah-compliant funds and Southeast Asia-focused smart ETFs. We have also gained good traction with our private bank partners in Singapore.

1. *The funds are not authorized by the Securities and Futures Commission ("SFC") and are not available to the general public in Hong Kong*
2. *SFC authorization is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.*

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About Value Partners Group Limited

Value Partners is one of Asia's largest independent asset management firms that seek to offer world-class investment services and products. Assets under management of the firm were US\$18.1 billion as of 30 June 2019. Since its establishment in 1993, the firm has been a dedicated value investor in Asia and around the world. In November 2007, Value Partners Group became the first asset management firm to be listed on the Main Board of the Hong Kong Stock Exchange (Stock code: 806 HK). In addition to its Hong Kong headquarters, the firm operates in Beijing, Shanghai, Shenzhen, Singapore, Malaysia, London and Boston. Value Partners' investment strategies cover equities, fixed income, multi-asset, quantitative investment solutions and alternatives for institutional and individual clients in the Asia Pacific, Europe and the United States. For more information, please visit www.valuepartners-group.com.

Media enquiries:

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

Daphne Duan
Manager, Marketing and Communications
Email: daphneduan@vp.com.hk
Tel: (852) 2143 0449