

- 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.

【 For Immediate Release 】

Value Partners High-Dividend Stocks Fund receives approval to join Mutual Recognition of Funds scheme

***Tianhong Asset Management appointed master agent for Value Partners High-Dividend Stocks Fund on the mainland*

***Value Partners’ fund recognized under the Mainland-Hong Kong Mutual Recognition of Funds scheme the 2nd time*

(Hong Kong, 28 November 2019) — Value Partners High-Dividend Stocks Fund (“the fund”), to be distributed by **Tianhong Asset Management Co., Ltd.** (“Tianhong Asset Management” or “Tianhong”) on the mainland of China, has been approved by the China Securities Regulatory Commission (“CSRC”) as an eligible northbound fund under the Mainland-Hong Kong Mutual Recognition of Funds (“MRF”) scheme on 12 November 2019. **Value Partners Hong Kong Limited** (“Value Partners”), a wholly owned subsidiary of **Value Partners Group Limited** (Hong Kong Stock Code: 806) is the investment manager of **Value Partners High-Dividend Stocks Fund**. Value Partners has appointed Tianhong Asset Management, one of the leading national mutual fund management companies on the mainland of China, as the fund’s master agent under the MRF scheme. It is Value Partners’ second eligible MRF fund in partnership with Tianhong Asset Management after Value Partners Classic Fund.

“The MRF scheme is a milestone in terms of making another breakthrough in facilitating financial collaboration and establishing mutual access between the mainland and Hong Kong. It brings new dynamics to both fund markets while offering investors of the two places a boarder selection of asset allocation choices and helping them diversify portfolio risks,” **Mr. Louis SO, Co-Chairman and Co-Chief Investment Officer of Value Partners Group** said. “Tianhong is a pioneer in China’s asset management industry and a long-term partner of Value Partners. We are delighted to partner with Tianhong once again to receive this important qualification. With this strategic partnership, we are in a great position to leverage our 26 years’ extensive investment experience and a team of over 70 seasoned investment professionals to offer mainland investors Value Partners’ high-dividend equity strategy that captures Asia’s high-dividend opportunities. We will bring our quality investment services and closely-followed investment philosophy to the mainland market and strive for alpha returns for investors.

“Value Partners is not only a renowned pioneer of value investing in Asia but also a prestigious listed asset management company in Hong Kong. We are pleased to continue our collaboration with Value Partners under the MRF scheme,” **Mr. Tony LIU, Director of International Business of Tianhong Asset Management** said. “Mainland investors are becoming increasingly hungry for overseas exposures. As China’s professional investment institution, Tianhong endeavors to bring diversified

investment services to investors. Therefore we tap Value Partners' proven track record and product development capabilities to deliver offshore investment solutions to mainland investors. As one of the long-standing high-dividend equity investment funds in the Asian market, Value Partners High-Dividend Stocks Fund has a strong track record and is a defensive play in different market conditions."

As China's opening-up of its investment market continues and its mutual access with overseas markets deepens, mainland investors are exhibiting increasing interest in offshore investment opportunities and embracing Asia's fast developing economy and financial markets. Bridging China and global markets, Hong Kong-established, Greater China and Asia Pacific-focused funds are gaining popularity. Since its inception in September 2002, **Value Partners High-Dividend Stocks Fund** has a track record of over 17 years. The fund manager aims to strike a balance between risk and reward while achieving alpha returns through identifying quality high-dividend enterprises in Asia. The fund, with US\$2.4 billion¹ of assets under management, has navigated through multiple financial crises and recorded superior returns. Since its inception, the fund has generated a cumulative return of more than 787.9% and an annualized return of 13.6%². The fund is rated 4 stars³ by Morningstar and received numerous performance awards.

"The mainland of China is a key strategic market for Value Partners and its importance has been growing particularly as 2019 marks Value Partners' 10th anniversary of establishing our footprint in the onshore market since 2009," **Mr. YU Xiaobo, Investment Director and Head of China Business of Value Partners Group** said. "Value Partners has devoted itself to value investing in Asia for 26 years. We are dedicated to bring our value investing philosophy, diversify investment solutions and world-class investment services to the onshore market, offering retail and institutional investors a wider range of choices to meet their individual needs. Meanwhile, we are in discussion with various partners on MRF distribution."

Established in 1993, Value Partners is one of the first foreign asset managers to have established a presence on the mainland of China, with the opening of its Shanghai office in 2009. In November 2017, the Group became the first Hong Kong-based asset manager to be granted a Private Fund Management ("PFM") license on the mainland of China via its Shanghai subsidiary and has unveiled eight PFM funds since then, further enhancing the Group's capability in offering world-class investment solutions to institutions and high-net-worth individuals ("HNWIs") on the mainland. The flagship Value Partners Classic Fund was registered as the Group's first eligible northbound fund after receiving approval from the CSRC on 6 December 2018.

1. Source: Value Partners. Data as of 31 October 2019.

2. Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, in USD, NAV to NAV, with dividends reinvested and net of all fees. Past performance is not indicative of future performance. As of 31 October 2019, annualized performance for the past 10 years of Value Partners High-Dividend Stocks Fund (A Unit) since its inception on 2 September 2002: 2009: +82.8%, 2010: +25.8%, 2011: -11.9%, 2012: +25.2%, 2013: +8.1%, 2014: +9.4%, 2015: -3.7%, 2016: -0.2%, 2017: +32.9%, 2018: -14.2%, 2019(as at 31 October): +7.4%. Data of A Unit and P Unit are different. A Unit is not open for subscription until further notice. Mainland investors can subscribe Value Partners Classic Fund through P unit.

3. As of 30 November 2019. Calculation is based on NAV, annualized return and annualized volatility. Peers in the Asia ex-Japan Equity sector refers to funds in the Morningstar Asia ex-Japan Equity Category.

This document does not constitute a prospectus, an offer or an invitation to subscribe any securities, or a recommendation in relation to any securities. Investors should note investment involves risk and past performance is not indicative of future results. Please refer to the explanatory memorandum for details and risk factors in particular those associated with investment in China, non-investment grade debt securities, and in companies with medium or small capitalization. This document has not been reviewed by the Securities and Futures Commission.

- End -

About Value Partners Group

Value Partners is one of Asia's largest independent asset management firms offering world-class investment services and products for institutional and individual clients globally. The firm had \$15.2 billion of assets under management as of 31 October 2019. Since its establishment in 1993, Value Partners has been a dedicated value investor in Asia and around the world. In November 2007, Value Partners 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 has offices in Shanghai, Beijing, Shenzhen, Singapore, Kuala Lumpur, London and Boston. Value Partners' investment strategies cover equities, fixed income, alternatives, multi-asset, and quantitative investment solutions. For more information, please visit www.valuepartners-group.com.

About Tianhong Asset Management

Tianhong Asset Management is one of the nationwide publicly offered fund management companies authorized by China Securities Regulatory Commission and the manager of Tianhong Yu'e bao money market fund. Tianhong Asset Management's businesses cover equities, fixed income, cash management and derivatives. As of the third quarter of 2019, it managed and operated 55 public funds in total with assets under management of 1,223.1 billion yuan and helped public fund investors earn accumulated 209.2 billion yuan. For more information, please visit <http://www.thfund.com.cn/en/>.

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