

I. Value Partners Asian Fixed Maturity Bond Fund 2022 (The "Fund") invests primarily in a buy-and-hold portfolio of fixed income securities in Asia over an investment period of approximately 3 years from the Fund target launch date on 22 November 2019 up to the Fund's maturity date, which is expected to be on or around 18 November 2022 ("Maturity Date").

II. The duration of the Fund is limited (i.e. up to the Maturity Date) and will be terminated automatically at maturity. Neither income, return nor capital of the Fund is guaranteed or protected. There are risks that investors may not recoup the original amount invested in the Fund during the investment period as well as at the Maturity Date.

III. The issuers of fixed income instruments may repay principal before the maturity of the instruments. Prepayments may cause losses on instruments purchased at a premium. Unscheduled prepayments for fixed income instruments issued at par may result in a loss equal to any unamortized premium. Repayment of principal before the Fund's maturity as well as the re-investment of cash proceeds from the sale of fixed income instruments where a potential deterioration of credit profiles is anticipated by the Manager create out of market risk and the uncertainty of gaining access to fixed income instruments delivering similar yield to maturity resulting in lower interest income and returns to the Fund.

IV. In case of substantial redemptions within a short period of time, the Fund may need to liquidate some positions prematurely at an inopportune time or on unfavorable terms. The value of the Fund may therefore be adversely affected. In addition, the resulting decrease in the size of the Fund may immediately increase the ongoing charges of the Fund and may have an adverse impact on investors' return. Substantial redemptions may render the size of the Fund to shrink significantly and trigger the Fund to be early terminated.

V. The Fund is subject to early termination risk. Upon the termination of the Fund, all the assets of the Fund will be realised and the net proceeds thereof which are available for distribution will be distributed to relevant unitholders. Investors should note that the amount distributed to them may be less than the amount of their initial investment.

VI. The Manager may at its discretion extend the Initial Offer Period ("IOP") (4 November 2019 to 21 November 2019) or not to issue any units. If the Manager decides not to proceed with the launch, any subscription monies shall be promptly returned to investors in full (without any interest) less any applicable bank charges, after the close of the IOP. The Fund will also be closed to subsequent subscriptions after the IOP and no subsequent subscription to the Fund will be accepted.

VII. The Fund is subject to geographical concentration risks, the value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting Asia (in particular China) market.

VIII. Investors should note the emerging markets risk, currency and foreign exchange risk, and concentration risk and risks relating to fixed income instruments : (a) credit / counterparty risk; (b) interest rates risk; (c) volatility and liquidity risk; (d) credit rating downgrading risk; (e) credit ratings risk; (f) sovereign debt risk; (g) valuation risk.

IX. Financial derivative instruments may be used for hedging. The use of derivatives may become ineffective and the Fund may suffer significant losses.

X. In respect of the distribution classes 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 unit of the Fund.

XI. 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 has launched in Hong Kong
the Value Partners Asian Fixed Maturity Bond Fund 2022**

(Hong Kong, 22 November 2019) — Value Partners Hong Kong Limited ("Value Partners"), a wholly owned subsidiary of Value Partners Group Limited (Hong Kong Stock Code: 806), has officially launched a new fixed maturity product - Value Partners Asian Fixed Maturity Bond Fund 2022 (the "Fund") in Hong Kong. Through primarily investing in a buy-and-hold of fixed income securities in Asia, the Fund allows investors to lock in potential yields before Fund maturity amid uncertain outlook for rates.

Managed by Value Partners' acclaimed fixed income investment team, the Fund combines the advantage of a single bond and a general bond fund and aims to distribute dividends on a monthly basis during the investment period, allowing investors to leverage the current yield, particularly attractive amid a low rates environment. The Fund seeks to achieve its investment objective by investing a portfolio of fixed income securities in Asia over an investment period of approximately 3 years from the close of initial offer period (ended on 21 November 2019) up to the maturity date.

“For investors intending to hold a fund to maturity, investing in a fixed maturity bond fund can ease concerns on market volatility or rate movements. Compared with a single bond, investing in the unique fixed maturity bond portfolio can mitigate risks through diversification, while capturing potential income from different regions and sectors. Being benchmark agnostic, the Fund adopts a bottom-up approach to select securities actively,” said **Mr. Gordon Ip, Chief Investment Officer of Fixed Income at Value Partners.**

Fund facts – Value Partners Asian Fixed Maturity Bond Fund 2022 (Class A):

Initial offering period	4 November 2019 – 21 November 2019
Launch date	22 November 2019
Expected maturity date	18 November 2022
Share classes available ¹	Monthly Distribution Class USD / HKD / AUD Hedged ² /RMB Hedged ² /RMB Unhedged
Subscription fee	Up to 5%
Management fee	0.8% p.a.
Swing pricing policy ³	Max. 3% (swing price) for net flow larger than 1% of AUM (swing factor)
Base currency	US dollar
Manager	Value Partners Hong Kong Limited

For more information on the Fund, please download the [product leaflet](#).

- Each hedged share class will hedge the Fund's base currency back to its currency of denomination on a best efforts basis. The dividend payout on hedged classes would not be fixed and subject to portfolio yield, interest rate environment and current Interest Rate Differentials (IRDs vs the base currency, USD, of the Fund). The hedging cost will be reflected in the Fund's NAV. The fund manager currently intends to distribute dividends on a monthly basis, however the dividend rate is not guaranteed. The dividend payout ratio is not a criterion for fund returns. 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 and footnotes 1 and 4 for more details. 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. Effective Gross Yield reflects the average portfolio annualized yield based on sample portfolio and assuming underlying bonds are held until their maturities, which could be earlier than that of the portfolio, before any fees. Such yield is no projection, prediction or guarantee for future performance, and there is no certainty that the expected yield will be reached.
- 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 hedged Classes may be suitable for investors who wish to reduce the impact of changes in exchange rates between their local currency and the Fund's base currency.
- The main purpose of swing pricing is to protect existing investors from large redemption transactions, which may dilute fund assets. Swing pricing is not a charge on funds or investors. It is a protection that ensures existing fund investors do not have to bear the transaction cost in response to the redemption transactions caused by other investors. This mechanism will only implemented when there are large fund outflow, rather than the usual transaction volume, so it is assumed that the adjustment of the net asset value will not occur frequently. The swing pricing mechanism means that the Fund will start swing pricing only when the daily total net redemption exceeds the threshold set by the Fund (1% of the fund's net asset under management), the net asset value (NAV) of the fund per share may be adjusted downward. In any case, the maximum limit of the adjustment is 3% of the Fund's net asset value. When swing pricing kicks in, the net asset value per share will be adjusted according to the "Swing Factor", which is an estimate of the transaction cost, including: market liquidity, trading spread, and transaction cost. The rate adjustment of the swing pricing will be formulated and reviewed by the 'Swing Pricing Management Committee'. The aim is to protect existing investors from the effects of dilution caused by large trading activities. Therefore, when the committee sets the rate adjustment, it will ensure that it can protect investors' rights, and also minimize the fluctuation of the net asset value of the fund per share due to swing pricing, that is, to ensure that the swing pricing will not be activated when there is no significant dilution impact to investors.

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\$15.2 billion as of 31 October 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.

About Value Partners' Fixed Income Team

Value Partners' fixed income team currently manages fixed income assets of about US\$7 billion⁴ and has a seasoned and cohesive team of 11 investment professionals, with in-depth knowledge and proven fixed income expertise in the Asian credit markets as well as specialized sectors. Our fixed income team leverages the full resources and knowledge of our investment teams, as well as the professional network in the region – the team gets first call on many primary issues. Mr. Gordon Ip, Chief Investment Officer, Fixed Income, oversees Value Partners' credit and fixed income investments and portfolio management. He has over 20 years of experience in fixed income investment management and research. Mr. Ip was crowned 2018 CIO of the Year (Fixed Income)⁵ by Insights and Mandates in the 2018 I&M Professional Investment Awards. He was named Manager of the Year (High Yield Fixed Income)⁶ by Benchmark's Fund of the Year Awards 2018. In addition, he was one of the highly commended Astute Investors in Asian G3 bonds (Hong Kong)⁷, awarded by The Asset Benchmark Research Awards 2018. Value Partners' fixed income investment team and products have received proven recognition as witnessed by numerous accolades and awards over the years.

4. As at 30 September 2019.

5. The award reflects performance up to 31 December 2017.

6. This award aims to recognize an individual who has led his/her team to outstanding performances over the consistency of three-year and five-year performances against the benchmark and their peers, and how they have managed their mandates with excellent stewardship in safeguarding shareholders' capital, grew the size of the fund/mandate without compromising safety and returns. For performances up to 30 September 2018.

7. The Most Astute Investors were selected by a poll covering global institutional investors that are active in the Asian G3 bond markets.

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