

- Value Gold ETF (the "Fund") is a fund listed on the Stock Exchange of Hong Kong Limited ("SEHK"), which aims to provide investment results that closely correspond to the performance of the London Bullion Market Association (LBMA) Gold Price.
- The Fund only invests in bullion and may experience greater volatility due to single economic, market or political occurrences when compared to diversified mutual funds or unit trusts.
- The Fund offers both listed class of units (the "Listed Class") and unlisted class of Units (the "Unlisted Class"). Investors of Listed and Unlisted Classes are subject to different pricing and dealing arrangements. The NAV per unit of each of the Listed and Unlisted Classes may be different due to different fees and cost applicable to each Class. The dealing deadlines in respect of the Listed and Unlisted Class are also different.
- Units of the Listed Class are traded on the stock exchange on an intraday basis at the prevailing market price (which may diverge from the corresponding NAV), while units of the Unlisted Class are sold through intermediaries based on the dealing day-end NAV and are dealt at a single valuation point with no access to intraday liquidity in an open market. Depending on market conditions, investors of the Listed Class may be at an advantage or disadvantage compared to investors of the Unlisted Class.
- In a stressed market scenario, investors of the Unlisted Class could redeem their units at NAV while investors of the Listed Class could not and may have to exit the Fund at a significant discount. On the other hand, investors of the Listed Class could sell their units on the secondary market during the day thereby crystallising their positions while investors of the Unlisted Class could not do so in a timely manner until the end of the day.
- Investors of Listed and Unlisted Classes are subject to different types of risks. For example, Investors of the Listed Class are exposed to reliance on market makers risk and multi-counter risk.
- The Fund does not insure its bullion and the Fund and unitholders could suffer a loss if the bullion held by the custodian is lost or damaged.
- As the Fund is not actively managed, the Manager will not adopt a temporary defensive position against any market downturn. Investors may lose part or all of their investment.
- You should not make investment decision on the basis of this material alone. Please read the prospectus for details and risk factors.

【For Immediate Release】

**Value Partners launches Value Gold fund
The only gold fund backed by physical gold stored in Hong Kong**

(Hong Kong, 22 March 2021) Value Partners Hong Kong Limited announced today the launch of the Value Gold fund (the "Fund") in Hong Kong. As the only gold fund backed by physical gold stored in Hong Kong International Airport Precious Metals Depository Limited, the Value Gold fund aims to provide investment results closely corresponding to the performance of the LBMA Gold Price by investing in physical gold bullion. Its one-year tracking error is 0.04%¹. The fund offers two currency classes, in Hong Kong dollars and in US dollars, making it convenient for investors holding various currencies.

Despite various geopolitical risks and challenging market environments, gold has been used to combat inflation and stands out as an important safe-haven asset. Value Partners believes it would be prudent to allocate part of any portfolio to defensive assets such as gold. Hence, the Value Gold fund is an ideal instrument for investors.

The Value Gold fund offers scalability, since investors are able to cost-efficiently subscribe and redeem units. Furthermore, investors do not have to concern themselves with security and other costs related to the storage of physical gold bars, such as insurance premiums. With each unit of the Value Gold fund being backed by a corresponding amount of actual gold held on behalf of the Fund, it is the equivalent of holding the physical gold itself, giving investors exposure to gold's price movement.

As **Mr. Wallace TSANG, Managing Director, Regional Head of Intermediary Business of Asia Pacific at Value Partners** explained, "Gold is often considered as a store of value, a wealth protection tool,

and an alternative monetary asset to currencies. Gold may also be used for hedging inflation and currency risks, as its scarcity and non-reproducible nature allows it to maintain a relatively stable purchasing power over the long term. Last but not least, given its unique investment features, generally speaking, risk factors that may affect the gold price are quite different in nature from those that affect other assets. Therefore, gold's price movement often behaves differently from other traditional financial asset classes, such as bonds and equities. Low correlations with other investment instruments make gold an attractive tool for portfolio diversification."

Value Gold fund – key facts

Launch date	22 March 2021
Trading currencies	Hong Kong dollars and US dollars
Minimum subscription amount	HK\$8,000,000 or US\$1,000,000
Subscription fee	Up to 5% of the subscription monies
Management fee	0.4% per annum
Total expense ratio	0.4% per annum ²
Dealing frequency	Daily
Investment manager	Sensible Asset Management Hong Kong Limited
Sub-investment manager	Value Partners Hong Kong Limited
Trustee and registrar	HSBC International Trust Services (Asia) Limited
Custodian	Hong Kong International Airport Precious Metals Depository Limited

1. As at 31 December 2020. The figure refers to the listed class.

2. The ongoing charges figure is an annualised figure based on the ongoing expenses for the Fund, expressed as a percentage of the sum of expenses over the average NAV of the Fund for the same period. This figure may vary from year to year. The Fund has adopted a single management fee structure. The ongoing charges of the Fund are currently capped at a maximum of 0.40% of the average NAV of the Fund, which is equal to the current amount of the management fee of the Fund. Any ongoing expenses exceeding 0.40% of the average NAV of the Fund will be borne by the Manager and will not be charged to the Fund. Please refer to the Prospectus for details.

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 prospectus for details and risk factors. This material has not been reviewed by the Securities and Futures Commission. Issuer: Sensible Asset Management Hong Kong Limited

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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. The company's assets under management were US\$13.4 billion as of 28 February 2021. Since its establishment in 1993, the company 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 Shanghai, Shenzhen, Kuala Lumpur, Singapore, and London, and maintains representative office in Beijing. Value Partners' investment strategies cover equities, fixed income, multi-asset, quantitative investment solutions, and alternatives for institutional and individual clients in Asia Pacific, Europe, and the United States. For more information, please visit www.valuepartners-group.com.

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