



Fund Menu

March 2021

A dedicated team of value investing professionals



CHEAH Cheng Hye
Co-Chairman &
Co-Chief Investment Officer



Louis SO
Co-Chairman &
Co-Chief Investment Officer



Norman HO
Senior Investment Director



Renee HUNG
Senior Investment Director



Gordon IP
Chief Investment Officer
Fixed Income



CHUNG Man Wing
Investment Director
Equities



Elaine HU
Investment Director
Fixed Income



Edwin KAM
Investment Director
Fixed Income



YU Chen Jun
Investment Director
Equities



Michelle YU
Investment Director
Equities



YU Xiaobo
Investment Director
Equities



Rachel TONG
Head of Real Estate
Real Estate Private Equity



Lillian CAO
Senior Fund Manager
Equities



Anthony CHAN
Senior Fund Manager
Equities



Kelly CHUNG
Senior Fund Manager
Multi-assets



Doris HO
Senior Fund Manager
Equities



Glenda HSIA
Senior Fund Manager
Equities



Amy LEE
Senior Fund Manager
Equities



LUO Jing
Senior Fund Manager
Equities



Frank TSUI
Senior Fund Manager
Head of ESG Investment

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.

| | Pages |
|---|-------|
| China / Greater China equities strategy | |
| Value Partners Classic Fund | 6-13 |
| Value Partners China Greenchip Fund Limited | 14-15 |
| Value Partners Intelligent Funds – China Convergence Fund | 16-17 |
| Value Partners Intelligent Funds – Chinese Mainland Focus Fund | 18-19 |
| Value Partners Fund Series – Value Partners China A-Share Select Fund | 20-21 |
| Value Partners Taiwan Fund | 22-23 |
| Value Partners Health Care Fund | 24-25 |
| Asia equities strategy | |
| Value Partners High-Dividend Stocks Fund | 26-27 |
| Fixed income strategy | |
| Value Partners Greater China High Yield Income Fund | 28-29 |
| Value Partners Fund Series – Value Partners Asian Total Return Bond Fund | 30-31 |
| Value Partners Fund Series – Value Partners Asian Fixed Maturity Bond Fund 2022 | 32-33 |
| Multi-asset strategy | |
| Value Partners Multi-Asset Fund | 34-35 |
| Value Partners Fund Series – Value Partners Asian Income Fund | 36-37 |
| Value Partners Fund Series – Value Partners Asian Innovation Opportunities Fund | 38-39 |
| ETF product | |
| Value Gold ETF | 40 |

Value Partners Fund Offerings

Morningstar Rating TM*

As at 28-2-2021

China / Greater China equities strategy

Greater China

- Value Partners Classic Fund ★★★★★
- Value Partners China Greenchip Fund Limited CIES Eligible¹ ★★★★★

China

- Value Partners Intelligent Funds – China Convergence Fund ★★★★★
- Value Partners Intelligent Funds – Chinese Mainland Focus Fund ★★★★★

China A-share

- Value Partners Fund Series – Value Partners China A-Share Select Fund RQFII ★★★★★

Taiwan

- Value Partners Taiwan Fund ★★★★★

China

- Value Partners Health Care Fund ★★★★★

Asia equities strategy

- Value Partners High-Dividend Stocks Fund ★★★★★

Fixed income strategy

- Value Partners Greater China High Yield Income Fund
- Value Partners Fund Series – Value Partners Asian Total Return Bond Fund
- Value Partners Fund Series – Value Partners Asian Fixed Maturity Bond Fund 2022

Multi-asset strategy

- Value Partners Multi-Asset Fund
- Value Partners Fund Series – Value Partners Asian Income Fund ★★★★★
- Value Partners Fund Series – Value Partners Asian Innovation Opportunities Fund

ETF product

- Value Gold ETF

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1. 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 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 YTD | Since inception |
|--|----------------|--|-------|-------|--------|--------|-------|--------|-------|-------|-------|--------|--------|-------|--------|-------|-------|----------|-----------------|
| Value Partners Classic Fund (A unit) Index ^{a†} | 1 Apr 1993 | | 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% | 44.9% | 37.6% | 7.1% | 5,429.1% |
| Value Partners Classic Fund (B unit) Index ^{a†} | 15 May 1996 | USD 1,672.3 million (Total A, B & C units) | 34.9% | 44.8% | -46.1% | 56.6% | 8.6% | -17.4% | 27.7% | 6.5% | 5.5% | -3.9% | 4.3% | 37.4% | -14.8% | 37.4% | 28.2% | 7.5% | 934.5% |
| Value Partners Classic Fund (C unit) Index ^{a†} | 15 Oct 2009 | | 34.9% | 44.8% | -46.1% | 56.6% | 8.6% | -17.4% | 27.7% | 6.5% | 5.5% | -3.9% | 4.3% | 37.4% | -14.8% | 37.4% | 28.2% | 7.5% | 2,343.1% |
| | | | - | - | - | 7.7% | 21.2% | -17.6% | 13.4% | 10.8% | 13.3% | -2.0% | -3.7% | 43.3% | -23.5% | 31.9% | 36.8% | 7.0% | 509.0% |
| | | | - | - | - | -0.3% | 8.6% | -17.4% | 27.7% | 6.5% | 5.5% | -3.9% | 4.3% | 37.4% | -14.8% | 23.8% | 28.2% | 7.5% | 206.9% |
| | | | | | | | | | | | | | | | | | | | 155.9% |
| Value Partners China Greenchip Fund Limited [†] | 8 Apr 2002 | HKD 1,956.5 million | 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% | 29.1% | 32.6% | 3.2% | 852.8% |
| Hang Seng Index* | | | 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% | 13.0% | -0.3% | 6.4% | 365.2% |
| MSCI China Index (Total Net Return)* | | | 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% | 22.9% | 26.9% | 6.3% | 1,044.6% |
| Value Partners Intelligent Funds -- China Convergence Fund [†] | 14 Jul 2000 | USD 330.6 million | 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% | 20.2% | 47.5% | 5.6% | 2,063.6% |
| MSCI China Index [†] | | | 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% | 23.5% | 29.5% | 6.3% | 440.4% |
| Chinese Mainland Focus Fund | 27 Nov 2003 | USD 258.3 million | 48.1% | 56.0% | -44.8% | 86.0% | 23.9% | -17.8% | 11.6% | 8.3% | 10.6% | 1.7% | -10.3% | 61.2% | -28.3% | 36.6% | 73.6% | 1.1% | 926.9% |
| MSCI China Index (Total Net Return) ^{††} | | | 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% | 23.5% | 29.5% | 6.3% | 722.9% |
| Value Partners Fund Series -- Value Partners China A-Share Select Fund | 16 Oct 2014 | RMB 476.8 million | - | - | - | - | - | - | - | - | 18.1% | 12.1% | -5.3% | 27.1% | -22.3% | 27.4% | 40.2% | 5.8% | 134.1% |
| Value Partners Taiwan Fund | 3 Mar 2008 | USD 100.2 million | - | - | -35.7% | 58.0% | 19.2% | -13.0% | 26.1% | 13.7% | 2.1% | -6.5% | 16.2% | 25.9% | -7.2% | 27.2% | 19.6% | 11.2% | 231.3% |
| 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% | 32.2% | 35.6% | 9.2% | 243.5% |
| 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% | 36.4% | 41.0% | 11.4% | 235.2% |
| Value Partners Health Care Fund | 2 Apr 2015 | USD 270.7 million | - | - | - | - | - | - | - | - | - | -3.7% | 1.9% | 20.8% | -5.4% | 21.0% | 34.4% | 3.2% | 88.1% |
| Value Partners High-Dividend Stocks Fund(Class A1) | 2 Sep 2002 | USD 1,944.8 million | 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% | 14.9% | 13.9% | 7.2% | 1,059.7% |
| MSCI AC Asia (ex-Japan) Index (Total Net Return) ^{††} | | | 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% | 18.2% | 25.0% | 5.4% | 635.1% |
| 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% | 14.9% | 13.9% | 7.2% | 92.0% |
| Value Partners Greater China High Yield Income Fund (P USD Acc) | 27 Mar 2012 | USD 3,569.0 million | - | - | - | - | - | - | 13.0% | 1.2% | 1.1% | 6.1% | 15.9% | 10.1% | -4.9% | 9.4% | -0.3% | -0.9% | 60.9% |
| Value Partners Fund Series -- Value Partners Asian Total Return Bond Fund | 9 Apr 2018 | USD 107.0 million | - | - | - | - | - | - | - | - | - | - | - | - | -0.1% | 12.6% | 5.2% | 1.0% | 19.5% |
| Value Partners Multi-Asset Fund | 13 Oct 2015 | USD 61.8 million | - | - | - | - | - | - | - | - | - | -1.8% | -0.5% | 16.0% | -10.7% | 9.4% | 8.1% | 4.9% | 25.6% |
| Value Partners Fund Series -- Value Partners Asian Income Fund | 13 Nov 2017 | USD 182.2 million | - | - | - | - | - | - | - | - | - | - | - | 2.5% | -3.9% | 10.4% | 17.6% | 7.0% | 36.8% |
| Value Partners Fund Series -- Value Partners Asian Innovation Opportunities Fund | 26 Feb 2019 | USD 82.3 million | - | - | - | - | - | - | - | - | - | - | - | - | - | 20.2% | 43.0% | 5.5% | 81.3% |

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

* Index 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.

† 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 Index takes into account of dividend reinvestment after deduction of withholding tax.

†† 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 launched return is 69.9%.

* 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 dividend reinvestment after deduction of withholding tax.

† Index refers to Hang Seng Index (Price Return) up to 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 dividend reinvestment after deduction of withholding tax.

†† Hang Seng Index refers to Hang Seng Index (Price Return) up to 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 dividend reinvestment after deduction of withholding tax.

* 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. MSCI China Index (Total Net Return) does not take into account of deduction of withholding tax.

† MSCI China Index (Total Net Return) which takes into account of dividend reinvestment after deduction of withholding tax.

†† 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.

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 Value Partners Limited does not guarantee the accuracy or completeness of the information provided by third parties. This report has not been reviewed by the Securities and Futures Commission. Issuer: Value Partners Limited.

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Value Partners Classic Fund

NAV per unit: A Units - USD552.91 | B Units - USD244.31 | C Units - USD30.60
Fund size : USD1,672.3 million



★★★★
Morningstar Rating™
As at 28-02-2021

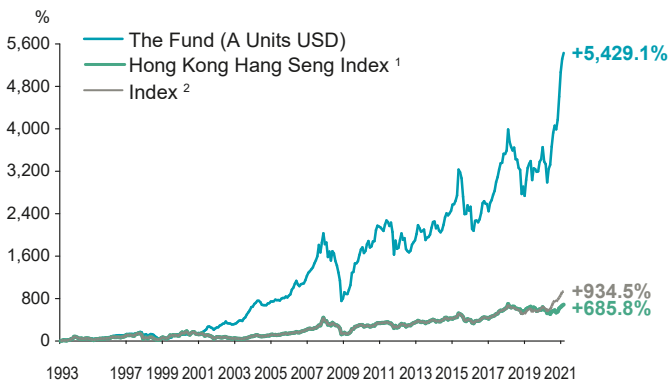
February 2021

- 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



Performance update

| | A Units USD | B Units USD | C Units USD | Hang Seng Index 1 | Index 2 |
|---|-------------|-------------|-------------|-------------------|---------|
| Year-to-date | +7.1% | +7.0% | +7.0% | +6.4% | +7.5% |
| One month | +2.1% | +2.1% | +2.0% | +2.4% | +0.8% |
| One year | +61.0% | +60.5% | +60.0% | +14.7% | +44.6% |
| Three years | +43.5% | +41.7% | +41.5% | +4.8% | +39.3% |
| Five years | +154.0% | +148.3% | +146.8% | +81.7% | +139.2% |
| Total return since launch | +5,429.1% | +2,343.1% | +206.0% | +685.8% | +934.5% |
| Annualized return since launch ^A | +15.5% | +13.7% | +10.3% | +7.7% | +8.7% |

NAVs & codes

| Classes ³ | NAV | ISIN | Bloomberg |
|--------------------------|----------|--------------|------------|
| A Units USD | 552.91 | HK0000264868 | VLPAI HK |
| B Units USD | 244.31 | HK0000264876 | VLPAI HK |
| C Units USD | 30.60 | HK0000264884 | VLPAI HK |
| C Units HKD ⁴ | 237.3566 | HK0000264884 | VLPAI HK |
| C Units RMB | 20.51 | HK0000264926 | VLCHCRM HK |
| C Units AUD Hedged | 23.81 | HK0000264892 | VLCHAUD HK |
| C Units CAD Hedged | 23.73 | HK0000264900 | VLCHCAD HK |
| C Units HKD Hedged | 20.30 | HK0000264934 | VLCHCHH HK |
| C Units NZD Hedged | 24.63 | HK0000264918 | VLCHNZD HK |
| C Units RMB Hedged | 21.29 | HK0000264942 | VLCHCRH HK |
| C Units MDis USD | 13.38 | HK0000360880 | VLCCMDU HK |
| C Units MDis HKD | 13.25 | HK0000360898 | VLCCMDH HK |
| C Units MDis RMB | 12.60 | HK0000362241 | VLCCMDR HK |
| C Units MDis RMB Hedged | 13.10 | HK0000362258 | VLCCMRH HK |

Dividend information – C Units MDis ⁵

| Classes ³ | Dividend per unit ⁶ | Annualized yield ⁷ | Ex-dividend date |
|-------------------------|--------------------------------|-------------------------------|------------------|
| C Units MDis USD | 0.0196 | 1.8% | 26-2-2021 |
| C Units MDis HKD | 0.0194 | 1.8% | 26-2-2021 |
| C Units MDis RMB | 0.0197 | 1.9% | 26-2-2021 |
| C Units MDis RMB Hedged | 0.0275 | 2.5% | 26-2-2021 |

The Fund – A Units USD: Monthly performance from 1 Jan 2012 to 26 Feb 2021

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Annual |
|------------|--------|-------|--------|--------|--------|-------|--------|--------|-------|--------|--------|-------|--------|
| 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 | +10.6% | +7.2% | +2.4% | +1.5% | -10.3% | +7.1% | -0.5% | -1.5% | +0.3% | +5.5% | +1.4% | +6.4% | +32.4% |
| 2020 | -7.3% | -1.3% | -10.0% | +8.2% | +2.4% | +9.9% | +6.9% | +3.4% | -1.7% | +4.4% | +10.2% | +9.7% | +37.6% |
| 2021 (YTD) | +4.9% | +2.1% | | | | | | | | | | | +7.1% |

^A Annualized return is calculated from inception based on published NAV.

43rd Floor, The Center, 99 Queen's Road Central, Hong Kong
Hotline: Hong Kong (852) 2143 0688 | Singapore (65) 6718 0380
Email: fis@vp.com.hk | www.valuepartners-group.com

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Top holdings

| Name | Industry ⁸ | % ⁹ |
|---|--|----------------|
| Tencent Holdings Ltd | Media & entertainment | 9.5 |
| Pinduoduo Inc | Retailing | 8.8 |
| Taiwan Semiconductor Manufacturing Co Ltd | Semiconductors & semiconductor equipment | 7.0 |
| Kweichow Moutai Co Ltd | Food, beverage & tobacco | 5.9 |
| China Merchants Bank Co Ltd | Banks | 4.8 |
| AIA Group Ltd | Insurance | 3.6 |
| Vipshop Holdings Ltd | Retailing | 3.4 |
| Wuliangye Yibin Co Ltd | Food, beverage & tobacco | 3.3 |
| Techtronic Industries Co Ltd | Capital goods | 3.2 |
| TAL Education Group | Consumer services | 2.9 |

These securities constitute 52%⁹ of the Fund.

Portfolio characteristics

As at 26 Feb 2021¹⁰

| | |
|----------------------|------------|
| Price/earnings ratio | 17.6 times |
| Price/book ratio | 2.4 times |
| Portfolio yield | 2.0% |

| | A Units USD | B Units USD | C Units USD | Hang Seng Index ¹ | Index ² |
|---|----------------|----------------|----------------|---------------------------------|--------------------|
| Annualized volatility (3 years) ¹¹ | 21.1% | 21.1% | 21.1% | 17.8% | 18.6% |

Geographical exposure by listing⁹

| | |
|--------------------|-----|
| Hong Kong | 43% |
| United States | 17% |
| China A-shares | 15% |
| Taiwan | 15% |
| H-shares | 8% |
| Red Chips | 4% |
| Cash ¹² | -2% |

Sector exposure^{8,9}

| | |
|------------------------|-----|
| Consumer discretionary | 29% |
| Information technology | 22% |
| Communication services | 13% |
| Consumer staples | 11% |
| Industrials | 8% |
| Banks | 5% |
| Insurance | 5% |
| Health care | 4% |
| Materials | 2% |
| Utilities | 2% |
| Others | 1% |
| Cash ¹² | -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: | 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 C Units MDis - aim at monthly distribution, subject to Manager's discretion |
| Dividend Policy ⁵ : | |

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 ¹³ | 15% of profit (High-on-high principle) | | |
| Redemption fee | Nil | | |
| Dealing day | Daily redemption | Daily redemption | Daily dealing |

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

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

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Key fund and corporate awards



Golden Bull Overseas China Equity Fund (1-Year)¹⁴
~ China Securities Journal, The 4th China Overseas Fund Golden Bull Awards 2020

Asia ex-Japan Equity House: Best-in-Class¹⁵
Greater China Equity House: Outstanding Achiever¹⁵
~ Benchmark Fund of the Year Awards 2018, Hong Kong

Offshore China Equity (10-year)¹⁶
~ Insight & Mandate, Professional Investment Awards 2018

Scan QR code for fund documents¹⁷:



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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fiis@vp.com.hk.

* © Morningstar 2021. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. 1. 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. 2. 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. 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 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. 4. 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. 5. 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. 6. The receiving bank may charge a fee for incoming payments. Such fees will reduce the actual amount of dividends received by the investor. 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. Classification is based on Global Industry Classification Standard (GICS). 9. Exposure refers to net exposure (long exposure minus short exposure). Derivatives e.g. index futures are calculated based on P/L instead of notional exposure. 10. The profile is based on market consensus forecast as derived from FactSet and Bloomberg. Harmonic mean methodology is applied to calculate the forecast P/E ratio and P/B ratio. Portfolio yield is the weighted average of the total dividend yield of all securities in the portfolio. 11. Volatility is a measure of the theoretical risk in terms of standard deviation, based on monthly return over the past 3 years. 12. Cash includes receivables and payables (except cash for collaterals and margins). 13. Performance fee will only be charged if at the end of the financial year the NAV (before deduction of performance fee and relevant distributions) exceeds the "high watermark", which is the all-time year-end high of the Fund's NAV for the accumulation classes (and dividend adjusted equivalent for distribution paying classes). 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 is presented to fund products, fund management institutions, and related fund managers who have raised capital from both public and private overseas sectors. The award honors the long-term and stable performance profitability of institutions and fund managers, while also taking into account the fund performance and risk management capability of fund institutions and fund managers in the medium to long-term (one to three years). 15. The award reflects performance up to 30 Sep 2018. 16. The award reflects performance up to 31 Dec 2017. 17. 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 Classic Fund Commentary / Fourth Quarter 2020

- 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.

Chinese equity market in 2020 has been extraordinary – first hit by the unprecedented epidemic impacts, which caused the first economic contraction on record, then a V-shape recovery after successful virus control, putting China back on its pre-COVID growth path by the end of the year. This peculiar backdrop formed a significant tailwind for equity market performance. The Fund and the benchmark MSCI Golden Dragon Index finished 2020 with a 37.6% and 28.2%¹ increase, respectively. During the quarter, the Fund returned 26.3%, outperforming the benchmark index’s 14.1% rise.

Domestic strength and accommodative policies: the mainstay of recovery

China was the first to lock down as the COVID epidemic unfolded but opened up sooner and has managed to secure growth in major macro indicators. After the deepest contraction of GDP in history in the first quarter, the country’s YoY economic growth returned to the positive territory in the third and fourth quarter, concluding full year 2020 with 2.3% GDP growth vitality supported by domestic-led economy activities².

The easing of both monetary and fiscal policies were implemented timely to secure a swift rebound. Although tapering noise arose as the People’s Bank of China hinted at a gradual and flexible counter-cyclical tightening towards the end of December, in our view, a sudden turn in policy direction is an unlikely event as a flexible approach is necessary to support the ongoing economic recovery.

A pause on geopolitics?

Geopolitical tension was another key event in 2020 as relations turned strained when the U.S. takes aim at the giant Chinese tech firms and introduced investment restrictions in Chinese related companies. Following the White House’s power transition, we take a cautiously optimistic stance as we expect a more open platform for discussion but a low likelihood of a complete reversal of policies implemented during Trump’s presidency. Thus, China taking a domestic-oriented approach in its dual-circulation agenda is sensible as it builds a more self-reliant economy, which helps to manage growth volatility induced by external uncertainties going forward.

Portfolio strategy review

The market plummeted in the first quarter as economic activities were brought to a halt due to the lockdown around the globe. Our overweight position in companies that are under structural growth trends, such as consumption upgrade, e-commerce, education, healthcare and technology hardware, was also hit but became the leading performers in full-year 2020, supported by the domestic-led V-shape economic

recovery. In particular, our core exposure to the e-commerce platforms delivered solid earnings results quarter after quarter, with China's spending behavior shifting from offline to online amid pandemic. In the second half of the year, our tilted focus towards services-oriented e-commerce platforms was rewarding as we anticipated fierce competition and moderated growth outlook among merchandized platforms, a trend that became apparent in the fourth quarter. On the other hand, our exposure to the premium baijiu names demonstrated their strong brand value as sales and unit price swiftly rebounded to the pre-pandemic levels in the second quarter. Other contributors included our holdings in Taiwanese technology hardware manufacturers and Chinese education operators. The former were among the beneficiaries following the strong demand for electronic devices under an accelerated digitalization and the rollout of 5G. The latter benefitted from its defensive nature and the favorable policies announced by the Chinese authorities. Policy reforms within the healthcare sector continued to yield positively and fueled our core holding in a leading biotech company in China, which recorded a stellar performance during the period.

Investment case: Pinduoduo (PDD US)

Pinduoduo operates an e-commerce platform, where offers value-for-money merchandise and interactive shopping options. Resembling a virtual bazaar, the platform sells a suite of product categories from apparel and shoes to fresh produce and electronic appliances.

To assess Pinduoduo's investment case, we used the web crawler to browse numerous sites methodically, conducted interviews with users and more than 100 merchants, and carried out field research in multiple locations. Our channel check has led us to the findings that Pinduoduo enjoys incredible differentiation in the fresh produce delivery category.

In selling fresh produce on the e-commerce platform, the key challenges are often the limited shelf life and the last-mile delivery, which is highly time-constrained. To overcome these hindrances, Pinduoduo launched an eco-system that collaborates with widely-found mom-and-pop stores for last-mile delivery. Customers could pick up packages from the local shops while the platforms enjoy substantial cost benefits. We expected the daily active user (DAU), shopping frequency, and gross merchandise value (GMV) of Pinduoduo to go up rapidly, forming a substantial competitive edge over its competitor, China's biggest e-commerce platform. This had become a more compelling investment when the DAU of Pinduoduo surpassed that of the e-commerce giant by 30%³. In addition, the centralized stocking and refill also enhance efficiency, a breakthrough that enables increasing user base and profitability, thus forming a solid investment case in our portfolio in 2020.

Outlook

We believe the worst of the pandemic is behind us. The anticipated vaccine shall gradually unlock the reopening and recovery process in 2021. A more stable outlook and accommodative policies will help anchor investor confidence and the market shall see risk appetite to staying level in 2021. The broader recovery would harmonize the uneven recovery path we have seen through 2020 and more balanced sector returns are expected in 2021.

In the context of China equities, we believe some structural trends that we identified before the COVID-19 hit continue to shape the economic transitioning and enable us to pick future winners. Thus, our convictions toward mainland Chinese companies remain intact and we foresee that China's effective handling of the pandemic, pivotal sector pillars and solid directions of economic development will play out and support the brighter outlook for 2021.

Value Partners Investment Team
20 January 2021

Source:

1. MSCI, 31 December 2020

2. National Bureau Statistics, The People's Republic of China, 18 January 2021
3. Value Partners

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 2020. 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 2020

| Stock | Industry | Valuation (2021 Estimates) | Remarks |
|--|--|--|--|
| Kweichow Moutai (Code: 600519 CH) Market cap: US\$384.5 billion | Food, Beverage and Tobacco | Price: CNY1,998.0 P/E: 48.4x P/B: 14.1x Yield: 1.1% | Kweichow Moutai is China's largest liquor manufacturer in terms of market value. With its premium brand positioning and effective channel management, Moutai has successfully expanded its market share in private consumption in the past years after a considerable decline in official consumption. Moutai has a distinguished brand among other players in China and is expected to benefit from the consumption upgrade cycle. |
| Pinduoduo (Code: PDD US) Market cap: US\$218.6 billion | Retailing | Price: US\$177.7 P/E: 452.7x P/B: 47.6x Yield: 0.0% | Pinduoduo operates an e-commerce platform, where offers value-for-money merchandise and interactive shopping options. Resembling a virtual bazaar, the platform sells a suite of product categories from apparel and shoes to fresh produce and electronic appliances. |
| Taiwan Semiconductor Manufacturing (Code: 2330 TT) Market cap: US\$489.1 billion | Semiconductors and semiconductor equipment | Price: TWD530.0 P/E: 26.3x P/B: 6.8x Yield: 2.1% | 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. |
| Tencent Holdings (Code: 700 HK) Market cap: US\$697.7 billion | Media and Entertainment | Price: HK\$564.0 P/E: 30.0x P/B: 6.5x Yield: 0.3% | Tencent is a leading provider of online games, premium messaging services, internet value-added services, and advertising and e-commerce services in China. By leveraging its large active user base, it offers good long-term monetization potential. Tencent's largest online user platform allows it to monetize other services such as payment and performance ads while its strength in mobile and PC gaming offers long-term growth opportunities. |
| Vipshop Holdings (Code: VIPS US) Market cap: US\$19.0 billion | Retailing | Price: US\$28.1 P/E: 18.2x P/B: 3.7x Yield: 0.0% | Vipshop is a leading online discount retailer that targets domestic Chinese consumers and sells branded products at lower prices, with the merchandise range spanning from apparel, sportswear and shoes to cosmetics. The Company's cost-cutting program from 2019, including outsourcing the parcel logistics to SF Express, improved the overall efficiency and profit. Refocusing on its core advantage in deep-discount apparel offerings also yielded success in bringing growth in customer numbers. The Company sees a rare opportunity if it could sustain a growth of 15-20% while maintaining reasonable profitability. |

| Stock | Industry | Valuation (2021 Estimates) | Remarks |
|---|---|--|---|
| Wuliangye Yibin (Code: 000858 CH) Market cap: US\$173.6 billion | Food, Beverage and Tobacco | Price: CNY291.9 P/E: 50.4x P/B: 12.3x Yield: 1.0% | Wuliangye is one of the top Chinese liquor producers, primarily targeting the mainland's domestic market. In the company's product portfolio is Luzhou-flavor liquor, Maotai-flavor liquor, Maotai-Luzhou-flavor liquor and fruit wine. Based in Sichuan Province, the baijiu maker operates with a strong brand, which shall make it stand out to ride on the expanding high-end liquor market in China. |
| China Merchants Bank (Code: 3968 HK) Market cap: US\$167.9 billion | Banks | Price: HK\$49.0 P/E: 10.6x P/B: 1.5x Yield: 3.0% | Founded in 1987, China Merchants Bank is one of the largest banking groups in China and is based in Shenzhen. CMB has over 70,000 employees worldwide as at the end of 2017 and more than 1,800 branches globally. Since its inception as a commercial bank, CMB has since evolved into a comprehensive banking group, with operations in commercial banking, financial leasing, fund management, life insurance and investment banking. |
| Innovent Biologics (Code: 1801 HK) Market cap: US\$14.8 billion | Pharmaceuticals, Biotechnology and Life Science | Price: HK\$82.1 P/E: N/A P/B: 17.6x Yield: 0.0% | Headquartered in Suzhou, China, Innovent Biologics delivers, develops, manufactures and commercializes antibody drug products for oncology, ophthalmology, immunology, and metabolic diseases. Its principal drug candidate is an anti-PD-1 monoclonal antibody for the treatment of cancer, Hodgkin's lymphoma, and esophageal carcinoma. The company also engages in the development of biosimilar drugs and bispecific antibodies In addition to the distribution of pharmaceutical products, Innovent Biologics provides consultation and research and development services. |
| Meituan Dianping (Code: 3690 HK) Market cap: US\$223.6 billion | Retailing | Price: HK\$294.6 P/E: 115.7x P/B: 13.9x Yield: 0.0% | Meituan Dianping is China's group buying website offering food delivery and hotel booking services at the same time. Established in Beijing and listed in Hong Kong, Meituan Dianping has grown as one of China's biggest e-commerce platforms. China's addressable consumer services market offers one of the most visible growth prospects within the Internet sector. Meituan Dianping's leading position in multiple high-frequency categories and a large user base of over 420 million provide good cross-selling opportunities. |

| Stock | Industry | Valuation (2021 Estimates) | Remarks |
|--|---------------|--|---|
| Techtronic Industries (Code: 669 HK) Market cap: US\$26.1 billion | Capital Goods | Price: HK\$110.6 P/E: 31.1x P/B: 6.2x Yield: 1.3% | <p>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. A wide range of high-output industrial tools is also among the Company’s product fleet, which has helped to underpin the constant market share gain and margin improvement and sustain long-term revenue and earnings growth.</p> <p>TTI benefits from a strong U.S. 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.</p> |

Note: The above investments made up 58.6% of Value Partners Classic Fund as at 31 December 2020. The stock prices are based on the closing of 31 December 2020.

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

Value Partners China Greenchip Fund Limited

NAV per share : Class A - HKD95.28 | Class A2 QDis - HKD16.05

Fund size : USD252.2 million (HKD1,956.5 million)

CIES Eligible[△]

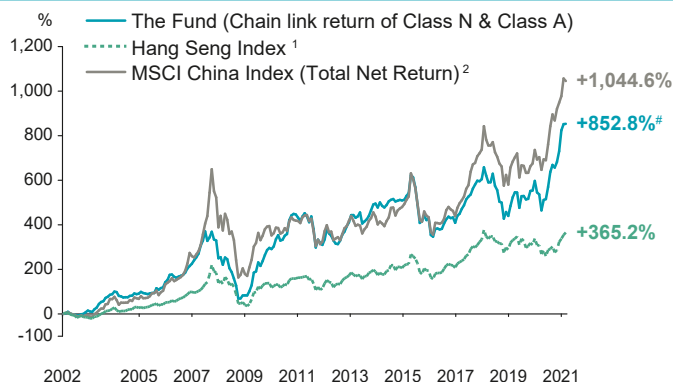
February 2021

- 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



NAVs & codes

| Classes ³ | NAV | ISIN | Bloomberg |
|----------------------|-------|--------------|------------|
| Class A HKD | 95.28 | KYG9317M1033 | VPCHIGC KY |
| Class A USD | 15.81 | KYG9317M1603 | VPCHAUS KY |
| Class A AUD Hedged | 15.41 | KYG9317M1371 | VPCHAAH KY |
| Class A CAD Hedged | 15.08 | KYG9317M1454 | VPCHACH KY |
| Class A NZD Hedged | 15.28 | KYG9317M1520 | VPCHANH KY |
| Class A2 QDis HKD | 16.05 | KYG9317M1116 | VPCA2QD KY |

Dividend information – Class A2 QDis⁴

| Ex-dividend date | Ex-dividend NAV (HKD) | Dividend per unit ⁵ (HKD) | Annualized yield ⁶ |
|------------------|-----------------------|--------------------------------------|-------------------------------|
| 31-12-2020 | 15.57 | 0.0607 | 1.6% |
| 30-9-2020 | 12.85 | 0.0607 | 1.9% |
| 30-6-2020 | 11.42 | 0.0607 | 2.1% |
| 31-3-2020 | 9.69 | 0.0607 | 2.5% |
| 31-12-2019 | 12.03 | 0.0607 | 2.0% |

Performance update

| | Class A HKD | Class A2 QDis HKD | MSCI China Index (Total Net Return) ² | Hang Seng Index ¹ |
|---|----------------------|-------------------|--|------------------------------|
| Year-to-date | +3.2% | +3.1% | +6.3% | +6.4% |
| One month | +0.1% | +0.1% | -1.0% | +2.5% |
| One year | +49.8% | +49.2% | +42.5% | +14.1% |
| Three years | +32.1% | +31.6% | +29.7% | +3.9% |
| Five years | +113.4% | +111.7% | +151.2% | +81.3% |
| Total return since launch | +852.8% [#] | +79.8% | +1,044.6% | +365.2% |
| Annualized return since launch [△] | +12.7% [#] | +8.0% | +13.8% | +8.5% |

The Fund – Class A HKD: Monthly performance from 1 Jan 2012 to 26 Feb 2021

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Annual |
|------------|--------|--------|--------|--------|--------|-------|--------|--------|-------|--------|-------|-------|--------|
| 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 | +8.3% | +6.6% | +3.6% | -0.1% | -10.7% | +9.1% | +0.1% | -2.5% | +0.4% | +5.8% | +0.3% | +6.6% | +29.1% |
| 2020 | -7.4% | -1.4% | -11.2% | +8.3% | +0.6% | +8.9% | +10.1% | +4.3% | -1.6% | +3.3% | +6.2% | +4.7% | +24.8% |
| 2021 (YTD) | +3.0% | +0.1% | | | | | | | | | | | +3.2% |

[△] 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 is calculated from inception based on published NAV.

[#] Refers to chain link return of Class N & Class A, Class N since inception (7 Sep 2002) to 17 Dec 2020 and Class A since 18 Dec 2020. Class N was firstly launched in 2002 & closed for subscription from 26 Mar 2007. Class A was launched on 27 Mar 2007 with the same NAV of Class N. Therefore Classes A & N have the same NAV since 27 Mar 2007. Class N was fully redeemed on 17 Dec 2020 and NAV was no longer available. Hence Class A is now the representative share class after 17 Dec 2020. For Class A, return since launch i.e. 27 Mar 2007 return and annualized return are +169.5% and +7.4% respectively.

Top holdings (as at 29 Jan 2021)

| Name | Industry ⁷ | % |
|--|--|-----|
| Tencent Holdings Ltd | Media & entertainment | 9.8 |
| Pinduoduo Inc | Retailing | 5.4 |
| China Tourism Group Duty Free Corp Ltd | Retailing | 4.6 |
| China Merchants Bank Co Ltd | Banks | 4.2 |
| Meituan | Retailing | 4.2 |
| Kweichow Moutai Co Ltd | Food, beverage & tobacco | 3.9 |
| United Microelectronics Corp | Semiconductors & semiconductor equipment | 3.6 |
| CITIC Securities Co Ltd | Diversified financials | 3.5 |
| Kingboard Laminates Holdings Ltd | Technology, hardware & equipment | 3.5 |
| Nine Dragons Paper Holdings Ltd | Materials | 3.2 |

These securities constitute 46% of the Fund.

Portfolio characteristics

As at 26 Feb 2021 ⁸

| | |
|----------------------|------------|
| Price/earnings ratio | 19.3 times |
| Price/book ratio | 2.7 times |
| Portfolio yield | 1.9% |

| | Class A HKD | Class A2 QDis HKD | MSCI China Index (Total Net Return) ² | Hang Seng Index ¹ |
|--|-------------|-------------------|--|------------------------------|
| Annualized volatility (3 years) ⁹ | 21.7% | 21.6% | 19.9% | 17.8% |

Geographical exposure by listing ¹⁰

| | |
|--------------------|-----|
| Hong Kong | 55% |
| China A-shares | 18% |
| United States | 14% |
| H-shares | 10% |
| Taiwan | 7% |
| Red Chips | 4% |
| Cash ¹¹ | -8% |

Sector exposure ^{7, 10}

| | |
|------------------------|-----|
| Consumer discretionary | 35% |
| Communication services | 17% |
| Information technology | 15% |
| Consumer staples | 10% |
| Industrials | 7% |
| Other financials | 6% |
| Banks | 4% |
| Insurance | 4% |
| Real estate | 4% |
| Health care | 3% |
| Materials | 3% |
| Cash ¹¹ | -8% |

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 |

Fee structure

| | |
|---------------------------------|--|
| 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

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

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

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Key corporate awards



Asia ex-Japan Equity House: Best-in-Class ¹⁴
Greater China Equity House: Outstanding Achiever ¹⁴
~ Benchmark Fund of the Year Awards 2018, Hong Kong

Offshore China Equity (10-year) ¹⁵
~ Insight & Mandate, Professional Investment Awards 2018

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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

1. 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. 2. MSCI China Index (Total Net Return) since fund inception to present which takes into account of dividend reinvestment after deduction of withholding tax. 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 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. 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. Classification is based on Global Industry Classification Standard (GICS). 8. The profile is based on market consensus forecast as derived from FactSet and Bloomberg. Harmonic mean methodology is applied to calculate the forecast P/E ratio and P/B ratio. Portfolio yield is the weighted average of the total dividend yield of all securities in the portfolio. 9. Volatility is a measure of the theoretical risk in terms of standard deviation, based on monthly return over the past 3 years. 10. Exposure refers to net exposure (long exposure minus short exposure). Derivatives e.g. index futures are calculated based on P/L instead of notional exposure. 11. Cash includes receivables and payables (except 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 at the end of the financial year the NAV (before deduction of performance fee and relevant distributions) exceeds the "high watermark", which is the all-time year-end high of the Fund's NAV for the accumulation classes (and dividend adjusted equivalent for distribution paying classes). 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 Sep 2018. 15. The award reflects performance up to 31 Dec 2017. 16. For Hong Kong investors only.

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.

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.

China Convergence Fund

A Sub-Fund of Value Partners Intelligent Funds

NAV per unit: Class A USD - USD306.36

Fund size : USD330.6 million

★★★★★
Morningstar Rating™
As at 28-02-2021

February 2021

- 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.

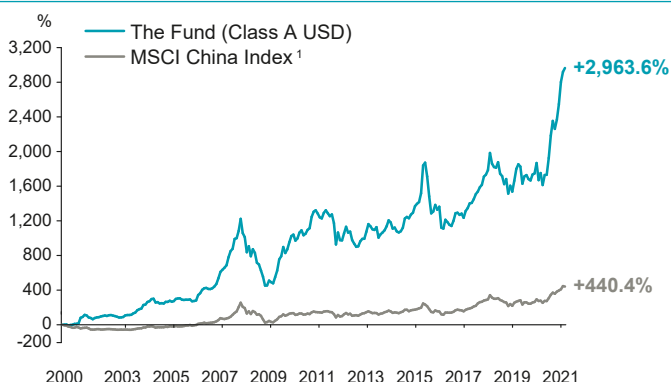
Investment objective

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.

NAVs & codes

| Classes ² | NAV | ISIN | Bloomberg |
|----------------------|--------|--------------|------------|
| Class A USD | 306.36 | KYG9317Q1047 | VAPAICB KY |
| Class A AUD Hedged | 18.85 | KYG9317Q1385 | VAPAAHD KY |
| Class A CAD Hedged | 20.99 | KYG9317Q1468 | VAPACAH KY |
| Class A NZD Hedged | 21.75 | KYG9317Q1534 | VAPANZH KY |

Performance since launch



Performance update

| | Class A USD | MSCI China Index ¹ |
|---|-------------|-------------------------------|
| Year-to-date | +5.6% | +6.3% |
| One month | +1.5% | -1.0% |
| One year | +65.5% | +43.1% |
| Three years | +56.4% | +30.9% |
| Five years | +153.3% | +151.8% |
| Total return since launch | +2,963.6% | +440.4% |
| Annualized return since launch [^] | +18.0% | +8.5% |

The Fund – Class A USD: Monthly performance from 1 Jan 2012 to 26 Feb 2021

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Annual |
|------------|--------|-------|-------|--------|--------|--------|--------|--------|-------|-------|-------|-------|--------|
| 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 | +7.7% | +7.8% | +2.8% | -1.4% | -10.3% | +4.9% | +0.8% | -2.5% | -0.9% | +3.9% | +0.7% | +6.5% | +20.2% |
| 2020 | -10.1% | +4.6% | -7.5% | +6.8% | +0.2% | +10.6% | +12.8% | +7.4% | -3.8% | +4.5% | +7.3% | +9.6% | +47.5% |
| 2021 (YTD) | +4.0% | +1.5% | | | | | | | | | | | +5.6% |

[^] Annualized return is calculated from inception based on published NAV.

Top holdings

| Name | Industry ³ | % |
|---|--|------|
| China Vanke Co Ltd | Real estate | 11.2 |
| Tencent Holdings Ltd | Media & entertainment | 8.8 |
| TAL Education Group | Consumer services | 6.1 |
| Zijin Mining Group Co Ltd | Materials | 6.0 |
| China Merchants Bank Co Ltd | Banks | 5.7 |
| Pinduoduo Inc | Retailing | 5.2 |
| Inner Mongolia Yili Industrial Group Co Ltd | Food, beverage & tobacco | 5.1 |
| Sino Biopharmaceutical Ltd | Pharmaceuticals, biotechnology & life sciences | 5.1 |
| AIA Group Ltd | Insurance | 4.3 |
| Longfor Group Holdings Ltd | Real estate | 4.1 |

These securities constitute 62% of the Fund.

Portfolio characteristics

As at 26 Feb 2021⁴

| | | |
|--|-------------|-------------------------------|
| Price/earnings ratio | 14.9 times | |
| Price/book ratio | 2.3 times | |
| Portfolio yield | 2.3% | |
| | Class A USD | MSCI China Index ¹ |
| Annualized volatility (3 years) ⁵ | 20.6% | 19.9% |

Geographical exposure by listing⁶

| | |
|-------------------|-----|
| China A-shares | 37% |
| Hong Kong | 28% |
| Red Chips | 10% |
| United States | 10% |
| H-shares | 6% |
| Others | 5% |
| Cash ⁷ | 4% |

Short exposure includes: Hong Kong, -5.8%, United States, -0.5% and Others, -0.3%.

Sector exposure^{3,6}

| | |
|------------------------|-----|
| Consumer discretionary | 19% |
| Real estate | 19% |
| Communication services | 15% |
| Banks | 9% |
| Consumer staples | 9% |
| Health care | 7% |
| Materials | 6% |
| Insurance | 4% |
| Information technology | 3% |
| Others | 5% |
| Cash ⁷ | 4% |

Total short exposure is -6.6%.

Short exposure includes: Health care, -4.8%; Banks, -1.1%; Consumer discretionary, -0.5% and Others, -0.2%.

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 ⁸ | 15% of profit (High-on-high principle) |
| Redemption fee | Nil |
| Dealing day | Daily |

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

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

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Key awards



Best Total Return - Greater China Equity Fund (5-year) - 2nd Runner-up⁹
~ HKCAMA and Bloomberg, Offshore China Fund Awards 2018

Value Partners:

Asia ex-Japan Equity House: Best-in-Class¹⁰
Greater China Equity House: Outstanding Achiever¹⁰
~ Benchmark Fund of the Year Awards 2018, Hong Kong

Offshore China Equity (10-year)¹¹
~ Insight & Mandate, Professional Investment Awards 2018

Scan QR code for fund documents¹²:



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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

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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: **USD102.65**
Fund size : **USD258.3 million**



Morningstar Rating™
As at 28-02-2021

February 2021

- Chinese Mainland Focus Fund (The "Fund") invests primarily in investments which are related to mainland China.
- 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.
- Investing in China exposes the Fund to additional risks including currency repatriation risk, uncertainty of taxation policies and risk associated with StockConnects, RQFII Quota, SME board, ChiNext market and/or the STAR board. The Fund may also expose to RMB currency and conversion risk.
- Investing in small/mid-capitalization securities may have lower liquidity and their prices are more volatile to adverse economic developments.
- It is possible that the entire value of your investment could be lost. 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) ¹ |
|---|----------|--|
| Year-to-date | +1.1% | +6.3% |
| One month | -2.9% | -1.0% |
| One year | +70.1% | +43.1% |
| Three years | +68.9% | +30.9% |
| Five years | +212.7% | +151.8% |
| Total return since launch | +926.5% | +722.9% |
| Annualized return since launch [^] | +14.5% | +13.0% |

Top holdings

| Name | Industry ² | % |
|---|--|-----|
| Tencent Holdings Ltd | Media & entertainment | 4.6 |
| Shanghai Milkground Food Tech Co Ltd | Food, beverage & tobacco | 3.9 |
| Jiangsu Hengrui Medicine Co Ltd | Pharmaceuticals, biotechnology & life sciences | 3.7 |
| Meituan | Retailing | 3.7 |
| Guangdong Haid Group Co Limited | Food, beverage & tobacco | 3.6 |
| Midea Group Co Ltd | Consumer durables & apparel | 3.5 |
| Baidu Inc | Media & entertainment | 3.4 |
| Bilibili Inc | Media & entertainment | 3.4 |
| Pinduoduo Inc | Retailing | 3.4 |
| Centre Testing International Group Co Ltd | Commercial services & supplies | 2.9 |

These securities constitute 36% of the Fund.

Portfolio characteristics

As at 26 Feb 2021 ³

| | |
|----------------------|------------|
| As at 30/09/2021 | |
| Price/earnings ratio | 35.5 times |
| Price/book ratio | 5.4 times |
| Portfolio yield | 0.8% |
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The Fund – Monthly performance from 1 Jan 2012 to 26 Feb 2021

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Annual |
|------------|--------|-------|-------|--------|--------|--------|--------|--------|-------|--------|-------|--------|--------|
| 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 | +9.6% | +7.0% | +2.1% | +1.6% | -12.0% | +10.6% | +0.5% | -4.8% | +3.4% | +4.4% | -0.0% | +11.8% | +36.6% |
| 2020 | -4.4% | +8.0% | -8.1% | +8.5% | +3.6% | +11.7% | +14.8% | +2.1% | -3.4% | +5.2% | +5.1% | +16.5% | +73.6% |
| 2021 (YTD) | +4.1% | -2.9% | | | | | | | | | | | +1.1% |

[^] Annualized return is calculated from inception based on published NAV.

Geographical exposure by listing ⁵

| | |
|-------------------|-----|
| China A-shares | 46% |
| Hong Kong | 37% |
| United States | 10% |
| H-shares | 3% |
| Others | 1% |
| Cash ⁶ | 3% |

Sector exposure ^{2, 5}

| | |
|------------------------|-----|
| Consumer discretionary | 24% |
| Health care | 18% |
| Communication services | 14% |
| Consumer staples | 14% |
| Information technology | 11% |
| Industrials | 10% |
| Real estate | 3% |
| Others | 3% |
| Cash ⁶ | 3% |

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

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

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

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Key awards



Best Total Return – Greater China Equity (5-Year, 2nd Runner-up) ⁸

~ HKCAMA & Bloomberg, Offshore China Fund Awards 2020

Best China Equity Fund (10-year) ⁹

~ Thomson Reuters Lipper Fund Awards 2018

Scan QR code for fund documents¹⁰:



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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

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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.

Value Partners Fund Series

Value Partners China A-Share Select Fund

NAV per unit: Class A RMB (CNH) – RMB23.41

Fund size : USD73.7 million (RMB476.8 million)



★★★★
Morningstar Rating™
As at 28-02-2021

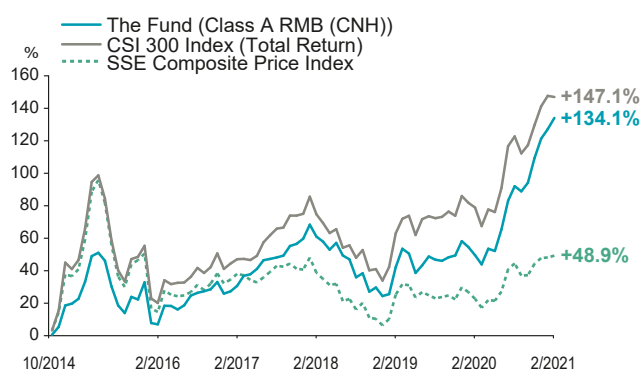
February 2021

- 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



NAVs & codes

| Classes ¹ | NAV | ISIN | Bloomberg |
|----------------------|-------|--------------|------------|
| Class A RMB (CNH) | 23.41 | HK0000220001 | VPCAARM HK |
| Class A USD Unhedged | 22.15 | HK0000220019 | VPCAAUU HK |
| Class A USD Hedged | 20.39 | HK0000220027 | VPCAAUH HK |
| Class A HKD Unhedged | 22.05 | HK0000220035 | VPCAAHU HK |
| Class A HKD Hedged | 20.04 | HK0000220043 | VPCAAHH HK |
| Class A GBP Unhedged | 23.83 | HK0000220076 | VPCAAGU HK |
| Class A GBP Hedged | 18.64 | HK0000220084 | VPCAAGH HK |
| Class A AUD Unhedged | 20.23 | HK0000220092 | VPCAAAU HK |
| Class A AUD Hedged | 20.08 | HK0000220100 | VPCAAAH HK |
| Class A CAD Hedged | 18.42 | HK0000220126 | VPCAACH HK |
| Class A EUR Unhedged | 20.15 | HK0000220050 | VPCAAEU HK |
| Class A EUR Hedged | 18.50 | HK0000220068 | VPCAAEH HK |
| Class A NZD Unhedged | 18.57 | HK0000220134 | VPCAANU HK |
| Class A NZD Hedged | 19.90 | HK0000220142 | VPCAANH HK |

Performance update

| | The Fund (Class A RMB (CNH)) | CSI 300 Index (Total Return) | SSE Composite Price Index |
|---|------------------------------|------------------------------|---------------------------|
| Year-to-date | +5.8% | +2.4% | +1.0% |
| One month | +3.0% | -0.3% | +0.7% |
| One year | +56.9% | +38.3% | +21.8% |
| Three years | +45.7% | +41.6% | +7.7% |
| Five years | +120.0% | +106.6% | +30.5% |
| Total return since launch | +134.1% | +147.1% | +48.9% |
| Annualized return since launch ^A | +14.3% | +15.3% | +6.4% |

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% ² |
| 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 | +1.0% | +13.3% | +8.0% | -2.0% | -8.0% | +3.4% | +3.8% | -1.3% | -0.5% | +1.5% | +0.7% | +6.0% | +27.4% |
| 2020 | -2.3% | -3.2% | -3.8% | +6.8% | -0.9% | +8.8% | +10.7% | +4.9% | -1.7% | +2.8% | +7.9% | +5.7% | +40.2% |
| 2021 (YTD) | +2.7% | +3.0% | | | | | | | | | | | +5.8% |

^A Annualized return is calculated from inception based on published NAV.

Top holdings

| Name | Industry ³ | % |
|--|--|-----|
| China Vanke Co Ltd | Real estate | 9.9 |
| China Merchants Bank Co Ltd | Banks | 8.9 |
| Inner Mongolia Yili Industrial Group Co Ltd | Food, beverage & tobacco | 7.3 |
| Tianjin ZhongXin Pharmaceutical Group Corp Ltd | Pharmaceuticals, biotechnology & life sciences | 7.1 |
| Zijin Mining Group Co Ltd | Materials | 6.5 |

These securities constitute 40% of the Fund.

Portfolio characteristics

As at 26 Feb 2021⁴

| | |
|----------------------|------------|
| Price/earnings ratio | 14.4 times |
| Price/book ratio | 2.3 times |
| Portfolio yield | 2.2% |

| | The Fund (Class A RMB (CNH)) | CSI 300 Index (Total Return) | SSE Composite Price Index |
|--|------------------------------|------------------------------|---------------------------|
| Annualized volatility (3 years) ⁵ | 18.0% | 18.8% | 16.3% |

Geographical exposure by listing⁶

| | |
|-------------------|-----|
| Shanghai A-shares | 53% |
| Shenzhen A-shares | 41% |
| Cash ⁷ | 6% |

Sector exposure^{3,6}

| | |
|------------------------|-----|
| Health care | 20% |
| Banks | 15% |
| Real estate | 14% |
| Consumer discretionary | 10% |
| Materials | 10% |
| Industrials | 9% |
| Consumer staples | 7% |
| Other financials | 4% |
| Insurance | 3% |
| Energy | 2% |
| Cash ⁷ | 6% |

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

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

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

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Key corporate awards



Asia ex-Japan Equity House: Best-in-Class⁹
Greater China Equity House: Outstanding Achiever⁹
~ Benchmark Fund of the Year Awards 2018, Hong Kong

Offshore China Equity (10-year)¹⁰
~ Insight & Mandate, Professional Investment Awards 2018

Scan QR code for fund documents¹¹:



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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

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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.

Value Partners Taiwan Fund

NAV per unit: Class A – USD33.13

Fund size : USD100.2 million



Morningstar Rating™
As at 28-02-2021

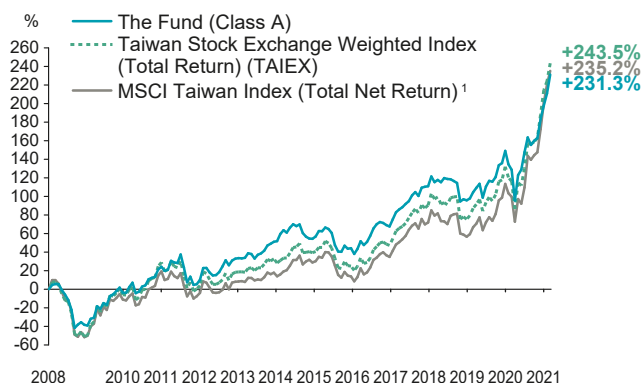
February 2021

- Value Partners Taiwan Fund (The "Fund") invests primarily 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.
- Investing in Taiwan-related companies involves 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.
- 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.
- It is possible that the entire value of your investment could be lost. 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



Top holdings

| Name | Industry ² | % |
|---|--|-----|
| Taiwan Semiconductor Manufacturing Co Ltd | Semiconductors & semiconductor equipment | 8.6 |
| Greatek Electronics Inc | Semiconductors & semiconductor equipment | 5.9 |
| United Microelectronics Corp | Semiconductors & semiconductor equipment | 5.6 |
| Sitronix Technology Corp | Semiconductors & semiconductor equipment | 5.4 |
| Chicony Electronics Co Ltd | Technology, hardware & equipment | 4.1 |

These securities constitute 30% of the Fund.

Portfolio characteristics

As at 26 Feb 2021³

| Price/earnings ratio | 13.6 times | | |
|--|--------------------|---|---|
| Price/book ratio | 2.1 times | | |
| Portfolio yield | 4.3% | | |
| | The Fund (Class A) | Taiwan Stock Exchange Weighted Index (Total Return) (TAIEX) | MSCI Taiwan Index (Total Net Return) ¹ |
| Annualized volatility (3 years) ⁴ | 18.0% | 20.1% | 21.9% |

Performance update

| | The Fund (Class A) | Taiwan Stock Exchange Weighted Index (Total Return) (TAIEX) | MSCI Taiwan Index (Total Net Return) ¹ |
|---|--------------------|---|---|
| Year-to-date | +11.2% | +9.2% | +11.4% |
| One month | +6.6% | +6.0% | +4.6% |
| One year | +44.9% | +59.0% | +68.0% |
| Three years | +53.9% | +74.2% | +87.0% |
| Five years | +131.4% | +176.0% | +197.0% |
| Total return since launch | +231.3% | +243.5% | +235.2% |
| Annualized return since launch [^] | +9.7% | +10.0% | +9.8% |

The Fund – Class A: Monthly performance from 1 Jan 2012 to 26 Feb 2021

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Annual |
|------------|-------|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| 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 | +1.0% | +3.4% | +2.3% | +2.1% | -7.0% | +6.0% | +2.9% | -0.4% | +2.3% | +5.8% | +1.0% | +5.6% | +27.2% |
| 2020 | -5.8% | -2.5% | -14.4% | +14.0% | +2.6% | +8.2% | +6.5% | -3.1% | +1.8% | +1.1% | +7.8% | +5.2% | +19.6% |
| 2021 (YTD) | +4.4% | +6.6% | | | | | | | | | | | +11.2% |

[^] Annualized return is calculated from inception based on published NAV.

Geographical exposure by listing ⁵

| | |
|-------------------|-----|
| Taiwan | 92% |
| Cash ⁶ | 8% |

Sector exposure ^{2, 5}

| | |
|------------------------|-----|
| Information technology | 80% |
| Banks | 3% |
| Consumer discretionary | 2% |
| Consumer staples | 2% |
| Others | 5% |
| Cash ⁶ | 8% |

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 ⁷ | 15% of profit (High-on-high principle) |
| Redemption fee | Nil |
| Dealing day | Daily |

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

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

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Key corporate awards



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

Offshore China Equity (10-year) ⁹
 ~ Insight & Mandate, Professional Investment Awards 2018

Scan QR code for fund documents 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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

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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 Health Care Fund

A Sub-Fund of Value Partners Ireland Fund ICAV

A UCITS-Compliant Fund ¹

NAV per unit: Class A USD Unhedged - USD18.81

Fund size : USD270.7 million

★★★★★
Morningstar Rating TM
As at 28-02-2021

Value Partners
Investing through discipline

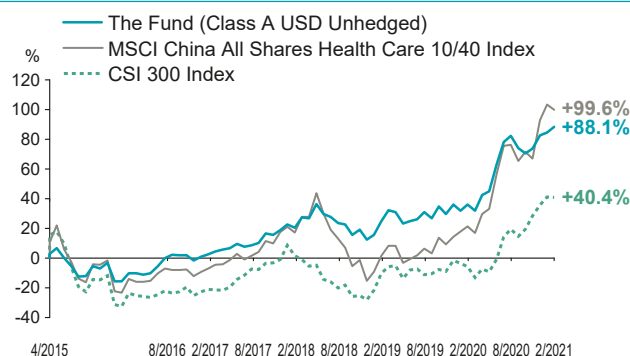
February 2021

- Value Partners Health Care Fund (the "Fund") primarily invests in equities and equity-related securities in healthcare companies on a worldwide basis.
- The investments of the Fund are concentrated in the health care sector which are subject to greater influences from government policies and regulations than those of other industries. The value of the Fund may be more volatile than that of a fund having a more diverse portfolio of investments.
- Investing in PRC market exposes the Fund to additional risks including currency repatriation risk, uncertainty of taxation policies and risk associated with StockConnects. The Fund may also expose to RMB currency and conversion risk.
- Investing in small/mid-capitalization securities may have lower liquidity and their prices are more volatile to adverse economic developments.
- The Fund may also invest in derivatives and debt securities that are below investment grade or unrated 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 prospectus for details and risk factors.

Investment objective

The Fund aims to achieve long-term capital growth by investing primarily in equities and equity related securities in healthcare companies, such as pharmaceuticals, biotechnology, healthcare services and medical technology and supplies, on a worldwide basis.

Performance since launch



Performance update

| | Class A USD Unhedged | MSCI China All Shares Health Care 10/40 Index | CSI 300 Index |
|---|----------------------|---|---------------|
| Year-to-date | +3.2% | +3.6% | +3.7% |
| One month | +2.1% | -1.8% | -0.3% |
| One year | +38.5% | +64.7% | +49.7% |
| Three years | +56.9% | +70.8% | +38.8% |
| Five years | +124.5% | +161.4% | +109.4% |
| Total return since launch | +88.1% | +99.6% | +40.4% |
| Annualized return since launch [^] | +11.3% | +12.4% | +5.9% |

NAVs & codes

| Classes | NAV | ISIN | Bloomberg |
|----------------------|-------|--------------|------------|
| Class A USD Unhedged | 18.81 | IE00BSM8VZ90 | VPHCUAU ID |
| Class A HKD Unhedged | 18.39 | IE00BSM8VQ00 | VPHCUAH ID |
| Class A SGD Unhedged | 13.45 | IE00BSM8VV52 | VPHCUAS ID |

Top holdings

| Name | Industry ² | % |
|---|------------------------|------|
| Jiangsu Hengrui Medicine Co Ltd | Pharmaceuticals | 10.0 |
| Sino Biopharmaceutical Ltd | Pharmaceuticals | 9.8 |
| Yunnan Baiyao Group Co Ltd | Pharmaceuticals | 5.3 |
| Hualan Biological Engineering Inc | Biotechnology | 5.0 |
| Tianjin Zhongxin Pharmaceutical Group Corp Ltd | Pharmaceuticals | 5.0 |
| Shenzhen Mindray Bio-Medical Electronics Co Ltd | Health care equipment | 4.9 |
| Alibaba Health Information Technology Ltd | Health care technology | 4.0 |
| Sinopharm Group Co Ltd | Pharmaceuticals | 3.5 |
| Beijing Tong Ren Tang Co Ltd | Pharmaceuticals | 3.4 |
| Zhejiang NHU Co Ltd | Pharmaceuticals | 3.4 |

These securities constitute 54% of the Fund.

Portfolio characteristics

As at 26 Feb 2021 ³

| | |
|----------------------|------------|
| Price/earnings ratio | 22.6 times |
| Price/book ratio | 3.0 times |
| Portfolio yield | 1.3% |

| | Class A USD Unhedged | MSCI China All Shares Health Care 10/40 Index | CSI 300 Index |
|--|----------------------|---|---------------|
| Annualized volatility (3 years) ⁴ | 16.5% | 27.5% | 21.8% |

The Fund – Class A USD Unhedged: Monthly performance from 2 Apr 2015 to 26 Feb 2021

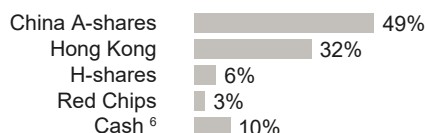
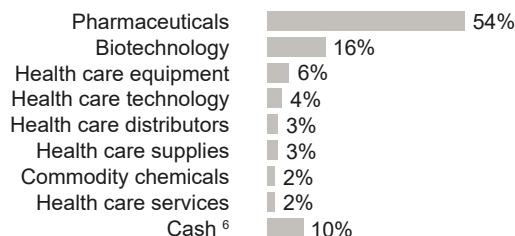
| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Annual |
|------------|--------|-------|-------|-------|-------|--------|-------|-------|-------|-------|-------|-------|--------|
| 2015 | N/A | N/A | N/A | +2.5% | +3.6% | -6.2% | -5.3% | -7.5% | +0.3% | +7.5% | -1.7% | +4.1% | -3.7% |
| 2016 | -12.9% | -0.1% | +6.7% | -0.1% | -1.1% | +1.1% | +5.5% | +5.6% | +2.3% | -0.2% | +0.0% | -3.4% | +1.9% |
| 2017 | +2.3% | +1.6% | +2.0% | +1.3% | +0.8% | +2.7% | -1.6% | +0.7% | +1.5% | +5.9% | -0.7% | +2.7% | +20.8% |
| 2018 | +3.1% | -1.9% | +6.0% | -0.6% | +7.6% | -4.9% | -1.5% | -3.1% | -1.0% | -5.7% | +3.2% | -5.7% | -5.4% |
| 2019 | +2.9% | +8.1% | +5.9% | -1.1% | -5.9% | +1.4% | +1.1% | +3.7% | -3.2% | +6.3% | -3.8% | +5.0% | +21.0% |
| 2020 | -2.9% | +3.2% | -3.1% | +8.1% | +1.7% | +12.7% | +9.2% | +2.4% | -4.6% | -2.0% | +1.8% | +5.1% | +34.4% |
| 2021 (YTD) | +1.0% | +2.1% | | | | | | | | | | | +3.2% |

[^] Annualized return is calculated from inception based on published NAV.

43rd Floor, The Center, 99 Queen's Road Central, Hong Kong
Hotline: Hong Kong (852) 2143 0688 | Singapore (65) 6718 0380
Email: fis@vp.com.hk www.valuepartners-group.com

Follow us on



Geographical exposure by listing ⁵Sector exposure ^{2, 5}

Fund facts

| | |
|--------------------|---|
| Manager: | Value Partners Hong Kong Limited |
| Base currency: | USD |
| Launch date: | Class A USD Unhedged/HKD Unhedged - 2 Apr 2015 Class A SGD Unhedged - 19 Jun 2018 |
| Dealing frequency: | Daily, Cutoff time 11:59am Irish time |
| Legal status: | Authorized by the Central Bank of Ireland as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 ¹ |
| Depository: | HSBC Continental Europe |
| Reporting: | www.valuepartners-group.com |

Fee structure

| | Class A |
|--------------------------------|-----------------------------------|
| Minimum subscription: | USD10,000 / HKD80,000 / SGD10,000 |
| Initial subscription fee: | Up to 5% of issue price |
| Management fee: | 1.5% p.a. |
| Performance fee ⁷ : | 15% of profit (high-on-high) |
| Redemption fee: | Currently nil |

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

Investment Directors: Chung Man Wing; Yu Chen Jun;

Michelle Yu, CFA; Yu Xiao Bo

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Key corporate awards



Asia ex-Japan Equity House: Best-in-Class ⁸

Greater China Equity House: Outstanding Achiever ⁸

~ Benchmark Fund of the Year Awards 2018, Hong Kong

Offshore China Equity (10-year) ⁹

~ Insight & Mandate, Professional Investment Awards 2018

Scan QR code for fund documents¹⁰:



Source: HSBC Institutional Trust Services (Ireland) DAC 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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

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Past Performance is not a guide to future performance and may not be repeated. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested. Exchange rate changes may cause the value of any overseas investments to rise or fall.

This document does not constitute an offer to anyone, or a solicitation by anyone, to subscribe for shares of Value Partners Ireland Fund ICAV. Nothing in this document should be construed as advice and is therefore not a recommendation to buy or sell shares.

Subscriptions for shares of the Fund can only be made on the basis of its latest Key Investor Information Document, prospectus and supplement together with the latest audited annual report (and subsequent unaudited semi-annual report, if published), copies of which can be obtained, free of charge, from www.valuepartners-group.com, your financial adviser or your regional contact. An investment in the Fund entails risks, which are fully described in the prospectus.

Singapore: 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 material 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 - USD114.78 | Class A2 MDIs USD - USD12.74

Fund size : USD1,944.8 million

★★★★
Morningstar Rating™
As at 28-02-2021

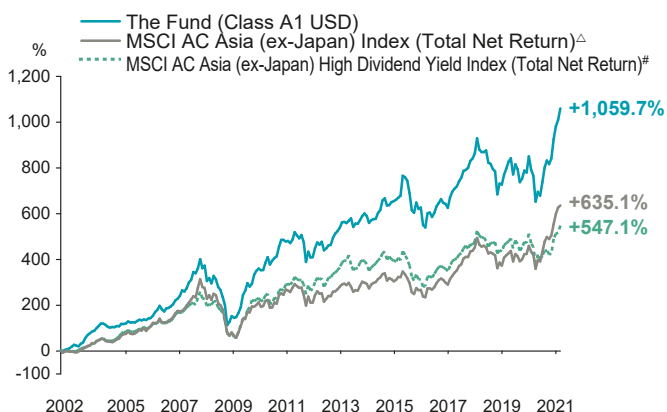
February 2021

- Value Partners High-Dividend Stocks Fund (The "Fund") primarily invests in higher yielding equity and debt securities in the Asian region.
- The Fund may invest in higher-yielding equity and debt 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 equity and debt securities in Asian region.

Performance since launch



Performance update

| | Class A1 USD | Class A2 MDIs USD | Class A Acc RMB | MSCI AC Asia (ex-Japan) Index (Total Net Return) ^Δ | MSCI AC Asia (ex-Japan) High Dividend Yield Index (Total Net Return) [#] |
|---|-----------------|----------------------|--------------------|---|---|
| Year-to-date | +7.2% | +7.2% | +6.6% | +5.4% | +5.8% |
| One month | +4.5% | +4.5% | +4.5% | +1.2% | +5.0% |
| One year | +34.1% | +34.1% | +25.8% | +42.0% | +17.1% |
| Three years | +18.4% | +18.4% | +20.2% | +30.4% | +7.4% |
| Five years | +81.5% | +79.8% | +77.8% | +120.2% | +69.0% |
| Total return since launch | +1,059.7% | +92.0% | +81.7% | +635.1% | +547.1% |
| Annualized return since launch ^Λ | +14.2% | +8.1% | +9.0% | +11.4% | +10.6% |

The Fund – Class A1 USD: Monthly performance from 1 Jan 2012 to 26 Feb 2021

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Annual |
|------------|--------|-------|--------|--------|-------|-------|-------|-------|-------|--------|-------|-------|--------|
| 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 | +5.3% | +3.1% | +3.3% | +1.6% | -7.5% | +5.1% | -2.4% | -6.3% | +1.8% | +4.2% | -1.0% | +8.0% | +14.9% |
| 2020 | -6.1% | -3.0% | -13.1% | +5.8% | -2.1% | +7.5% | +7.7% | +3.5% | -1.7% | +2.7% | +9.0% | +5.5% | +13.9% |
| 2021 (YTD) | +2.6% | +4.5% | | | | | | | | | | | +7.2% |

^Δ MSCI AC Asia Pacific (ex-Japan) Index (Total Net Return) was used 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.

[#] MSCI AC Asia Pacific (ex-Japan) High Dividend Yield Index (Total Net Return) was used up to 30 Apr 2016, thereafter it is the MSCI AC Asia (ex-Japan) High Dividend Yield 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.

^Λ Annualized return is calculated from inception based on published NAV.

43rd Floor, The Center, 99 Queen's Road Central, Hong Kong
Hotline: Hong Kong (852) 2143 0688 | Singapore (65) 6718 0380
Email: fis@vp.com.hk www.valuepartners-group.com

NAVs & codes

| Classes ¹ | NAV | ISIN | Bloomberg |
|----------------------------|----------|--------------|------------|
| Class A1 USD | 114.78 | HK0000288735 | VALASHY HK |
| Class A1 HKD ² | 890.3198 | HK0000288735 | VALASHY HK |
| Class A Acc RMB Hedged | 16.59 | HK0000288719 | VALHAHR HK |
| Class A Acc RMB Unhedged | 18.17 | HK0000288727 | VALHAUR HK |
| Class A2 MDIs USD | 12.74 | HK0000288743 | VALHYA2 HK |
| Class A2 MDIs HKD | 11.64 | HK0000288784 | VALHA2H HK |
| Class A2 MDIs AUD Hedged | 10.56 | HK0000288750 | VALHA2A HK |
| Class A2 MDIs CAD Hedged | 10.97 | HK0000288768 | VALHA2C HK |
| Class A2 MDIs GBP Hedged | 10.37 | HK0000288776 | VALHDSF HK |
| Class A2 MDIs NZD Hedged | 11.00 | HK0000288792 | VALHA2N HK |
| Class A2 MDIs RMB Hedged | 11.09 | HK0000288800 | VALHRMB HK |
| Class A2 MDIs RMB Unhedged | 11.11 | HK0000288818 | VAHYRMB HK |
| Class A2 MDIs SGD Hedged | 12.07 | HK0000288867 | VALHA2S HK |

Dividend information – Class A2 MDIs³

| Classes ¹ | Dividend per unit ⁴ | Annualized yield ⁵ | Ex-dividend date |
|----------------------------|--------------------------------|-------------------------------|------------------|
| Class A2 MDIs USD | 0.0360 | 3.4% | 26-2-2021 |
| Class A2 MDIs HKD | 0.0329 | 3.4% | 26-2-2021 |
| Class A2 MDIs AUD Hedged | 0.0298 | 3.4% | 26-2-2021 |
| Class A2 MDIs CAD Hedged | 0.0302 | 3.3% | 26-2-2021 |
| Class A2 MDIs GBP Hedged | 0.0282 | 3.3% | 26-2-2021 |
| Class A2 MDIs NZD Hedged | 0.0322 | 3.5% | 26-2-2021 |
| Class A2 MDIs RMB Hedged | 0.0386 | 4.2% | 26-2-2021 |
| Class A2 MDIs RMB Unhedged | 0.0336 | 3.6% | 26-2-2021 |
| Class A2 MDIs SGD Hedged | 0.0335 | 3.3% | 26-2-2021 |

Top holdings

| Name | Industry ⁶ | % |
|--|--|-----|
| Samsung Electronics Co Ltd | Technology, hardware & equipment | 7.8 |
| Taiwan Semiconductor Manufacturing Co Ltd | Semiconductors & semiconductor equipment | 6.7 |
| China Construction Bank Corp | Banks | 4.6 |
| China Yongda Automobiles Services Holdings Ltd | Retailing | 3.1 |
| Pinduoduo Inc | Retailing | 3.0 |
| China Resources Land Ltd | Real estate | 2.4 |
| Korea Investment Holdings Co Ltd | Diversified financials | 2.4 |
| China Telecom Corp Ltd | Telecom services | 2.2 |
| CIFI Holdings (Group) Co Ltd | Real estate | 2.2 |
| Tencent Holdings Ltd | Media & entertainment | 2.2 |

These securities constitute 37% of the Fund.

Portfolio characteristics

As at 26 Feb 2021⁷

AS at 20 Feb 2024

| | |
|--|--|
| Price/earnings ratio | 9.4 times |
| Price/book ratio | 1.2 times |
| Portfolio yield | 4.0% |
| Yield to maturity/put | N/A |
| | <div> <div>Class A1 USD</div> <div>Class A2 MDIs USD</div> <div>Class A Acc RMB</div> <div>MSCI AC Asia (ex-Japan) Index (Total Net Return)^Δ</div> <div>MSCI AC Asia (ex-Japan) High Dividend Yield Index (Total Net Return)^Δ</div> </div> |
| Annualized volatility (3 years) ⁸ | <div> <div>18.4%</div> <div>18.4%</div> <div>15.2%</div> <div>18.3%</div> <div>17.8%</div> </div> |

Geographical exposure by listing⁹

| | |
|---------------|-----|
| Hong Kong | 26% |
| H-shares | 16% |
| South Korea | 16% |
| Taiwan | 15% |
| Red Chips | 10% |
| India | 6% |
| United States | 5% |
| Indonesia | 2% |
| Others | 4% |

Sector exposure^{6,9}

| | |
|------------------------|-----|
| Information technology | 27% |
| Consumer discretionary | 16% |
| Real estate | 11% |
| Industrials | 10% |
| Communication services | 9% |
| Other financials | 9% |
| Banks | 8% |
| Health care | 3% |
| Materials | 3% |
| Insurance | 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 Class A2 MDIs - aim at monthly distribution, subject to Manager's discretion |
| Dividend policy ³ : | |

Fee structure

| | Class A1 | Class A2 MDIs | Class A Acc |
|---------------------------------|--|---|-------------|
| Minimum subscription | USD10,000 or HKD equivalent ² | 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 ² | 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 ¹⁰ | | 15% of profit (High-on-high principle) | |
| Redemption fee | | Nil | |
| Dealing day | | Daily | |

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors:

Norman Ho, CFA; Renee Hung
Investment Directors: Chung Man Wing; Yu Chen Jun; Michelle Yu, CFA; Yu Xiao Bo

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Key corporate awards



Asia ex-Japan Equity House: Best-in-Class¹¹
Greater China Equity House: Outstanding Achiever¹¹
~ Benchmark Fund of the Year Awards 2018, Hong Kong

Offshore China Equity (10-year)¹²
~ Insight & Mandate, Professional Investment Awards 2018

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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fi@vp.com.hk.

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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 Greater China High Yield Income Fund

NAV per unit: Class P Acc USD - USD16.09 | Class P MDis USD - USD7.17

Fund size : USD3,269.0 million

February 2021

- 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

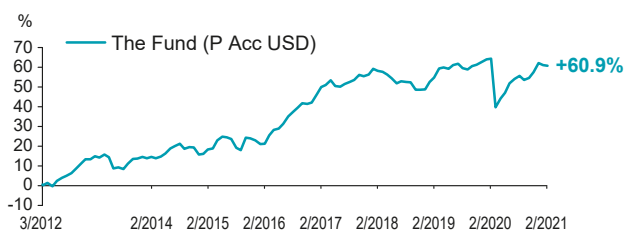
Portfolio review:

February marked a startling run-up in yields. A selloff in the U.S. Treasury market follows as the benchmark 10-year Treasury rose by 34bps ending the month at 1.4%. Most risk assets also saw a selloff, but credit fared better. During the month, high yield credits outperformed high grades. Corporate credits outperformed sovereign and quasi-sovereign due to their higher credit spreads, which serve as a cushion to interest rate movements. We reduced some positions that, in our opinions, have almost run their courses and rotated into previously expensive names. We also took advantage of some idiosyncratic events. Our portfolio remains short in duration and sheltered by the hefty credit spreads from interest rate shock as the global economy improved and eventually the Fed's tapering may occur.

Outlook:

It's important to continue to pay attention to the vaccination rate and its effectiveness as well as any potential for further lockdown. This will greatly impact the pace and trajectory of economic recovery. The overall low-yield environment will catalyze global flow into Asian credits, particularly the high yield market. Asian credit spreads remain attractive for investors seeking good relative value over developed market credits and strong income generation.

Performance since launch



Performance update

| | The Fund (P Acc USD) |
|---|----------------------|
| Year-to-date | -0.9% |
| One month | -0.1% |
| One year | -2.1% |
| Three years | +1.7% |
| Five years | +33.1% |
| Total return since launch | +60.9% |
| Annualized return since launch [^] | +5.5% |

The Fund – P Acc USD: Monthly performance from 27 Mar 2012 to 26 Feb 2021

| 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 | +2.5% | +1.5% | +3.0% | +0.3% | -0.4% | +1.1% | +0.4% | -1.4% | -0.4% | +1.1% | +0.4% | +0.9% | +9.4% |
| 2020 | +0.8% | +0.2% | -15.1% | +3.2% | +2.1% | +3.2% | +1.5% | +1.0% | -1.3% | +0.7% | +1.9% | +3.0% | -0.3% |
| 2021 (YTD) | -0.7% | -0.1% | | | | | | | | | | | -0.9% |

[^] Annualized return is calculated from inception based on published NAV.

43rd Floor, The Center, 99 Queen's Road Central, Hong Kong
Hotline: Hong Kong (852) 2143 0688 | Singapore (65) 6718 0380
Email: fis@vp.com.hk www.valuepartners-group.com

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Top holdings

| Name | Sector ⁴ | Country / region | % |
|--|-------------------------------------|------------------|-----|
| Project Coil note 11% due Oct 2021 | Real estate | Australia | 2.3 |
| Fantasia Holdings Group Co Ltd 11.75% 04/17/2022 | Real estate | China/Hong Kong | 1.9 |
| Mongolian Mining Corp/ Energy Resources LLC 9.25% 04/15/2024 | Materials | Mongolia | 1.7 |
| Panda Green Energy Group Ltd 8% 01/20/2022 | Utilities | China/Hong Kong | 1.6 |
| Kaisa Group Holdings Ltd 11.25% 04/09/2022 | Real estate | China/Hong Kong | 1.6 |
| Innovate Capital Pte Ltd 6% 12/11/2024 | Energy | Indonesia | 1.5 |
| Alam Sutera Realty Tbk PT 6.25% 11/02/2025 | Real estate | Indonesia | 1.5 |
| Tongfang Aqua Ltd 6.8% 01/10/2022 | Technology, hardware & equipment | China/Hong Kong | 1.5 |
| Fantasia Holdings Group Co Ltd 15% 12/18/2021 | Real estate | China/Hong Kong | 1.5 |
| Modern Land China Co Ltd 12.85% 10/25/2021 | Real estate | China/Hong Kong | 1.4 |

Portfolio characteristics

| | The Fund (P Acc USD) |
|--|-------------------------|
| Annualized volatility (3 years) ⁵ | 10.3% |
| Average duration | 1.6 years |
| Yield to worst ⁶ | 12.5% |
| Number of bond issuers | 159 |

Geographical exposure ⁷

| | |
|-------------------|-------|
| China/Hong Kong | 80.3% |
| Indonesia | 10.1% |
| Australia | 3.7% |
| Mongolia | 1.7% |
| India | 1.1% |
| Others | 4.0% |
| Cash ⁸ | -0.9% |

Sector exposure ^{4,7}

| | |
|----------------------------------|-------|
| Real estate | 59.4% |
| Diversified financials | 17.4% |
| Energy | 6.6% |
| Materials | 3.4% |
| Transportation | 3.3% |
| Utilities | 2.6% |
| Technology, hardware & equipment | 1.5% |
| Media | 1.3% |
| Retailing | 1.1% |
| Others | 4.3% |
| Cash ⁸ | -0.9% |

Credit ratings

| | | | |
|------------------------|-------|-------------------------------------|-------|
| AA | 0.3% | | |
| A | 1.1% | | |
| BBB | 0.6% | | |
| BB | 10.8% | | |
| B & Below | 65.0% | Investment grade | 2.0% |
| Non-Rated ⁹ | 23.1% | High yield | 75.8% |
| Cash ⁸ | -0.9% | Average credit rating ¹⁰ | B |

Currency breakdown

| | |
|-----|-------|
| USD | 88.7% |
| AUD | 3.7% |
| CNY | 2.2% |
| HKD | 2.1% |
| IDR | 1.6% |
| EUR | 1.0% |
| SGD | 0.4% |
| TWD | 0.3% |

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 ² : | 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

Co-Chairmen & Co-Chief Investment Officers:
Cheah Cheng Hye; **Louis** So
Senior Investment Directors: Norman **Ho**, CFA; Renee **Hung**
Fixed income investment team:
Chief Investment Officer, Fixed Income: Gordon **Ip**, CFA
Investment Directors: Elaine **Hu**; Edwin **Kam**, CFA

Key awards



Best Fund Provider – High Yield Bond ¹¹
 ~ Asian Private Banker Asset Management Awards for Excellence 2021

Best Total Return – Greater China Fixed Income (5-Year, Winner) ¹²
 ~ HKCAMA & Bloomberg, Offshore China Fund Awards 2020

Best USD High Yield (5-Year) ¹³
 ~ Refinitiv, Lipper Fund Awards 2020 (Hong Kong)

Scan QR code for fund documents¹⁴:



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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email ris@vp.com.hk.

1. 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. 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. 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. Volatility is a measure of the theoretical risk in terms of standard deviation, based on monthly return over the past 3 years. 6. 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. 7. Exposure refers to net exposure (long exposure minus short exposure). Derivatives e.g. index futures are calculated based on P/L instead of notional exposure. 8. Cash includes receivables and payables (except cash for collaterals and margins). 9. Including bonds whose issuers do not seek credit ratings (Greater China Paper 12.5%; Equity-linked Investments 4.8%; Loan 3.6%; Others 2.2%). 10. The letter rating, which may be based on bond ratings from different agencies, is provided to indicate the average credit rating of the portfolio's underlying investments without taking into account derivative positions. Issuer rating may be used for unrated securities. The average credit rating is determined 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. 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. 11. The assessment of each award category is based on 3 weighted criteria, and one weighted criterion based on feedback from private banking fund selectors. The weightings include product performance (30%), asset gathering (20%), service competency/quality (20%) and fund selector feedback (30%). 12. The awards recognize the top performing Greater China Fixed Income funds issued by CAMAHK members with at least 1 year of historical performance as of 30 Sep 2020. The Best Total Return calculation methodology, Bloomberg calculates the customized 1 year, 3 years and 5 years total return using Bloomberg calcroute field "RT095-Custom Total Return Holding Period". 13. The award reflects performance up to 31 Dec 2019. 14. 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 in the Asian region, non-investment grade and unrated 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 - USD11.95 | Class A MDis USD - USD10.25
Fund size : USD107.0 million

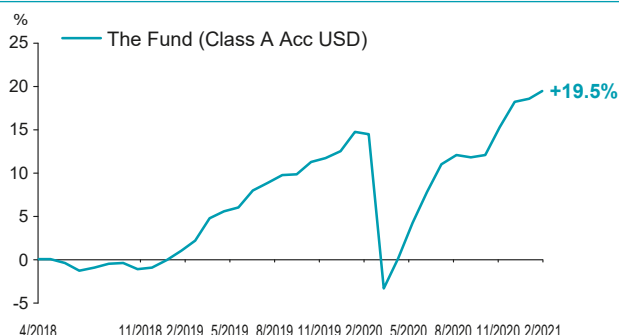
February 2021

- 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, 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.

Performance since launch



Performance update

| | The Fund (Class A Acc USD) |
|----------------------------------|----------------------------|
| Year-to-date | +1.0% |
| One month | +0.8% |
| Three months | +3.6% |
| Six months | +6.6% |
| One year | +4.4% |
| Total return since launch | +19.5% |
| Annualized return since launch ^ | +6.3% |

NAVs & Codes

| Classes ¹ | NAV | ISIN | Bloomberg |
|---------------------------|-------|--------------|-----------|
| Class A Acc USD Unhedged | 11.95 | HK0000402450 | VPATAU HK |
| Class A Acc HKD Unhedged | 11.81 | HK0000402351 | VPATAN HK |
| Class A Acc RMB Unhedged | 9.97 | HK0000402419 | VPATAR HK |
| Class A Acc SGD Hedged | 10.49 | HK0000402435 | VPATAS HK |
| Class A MDis USD Unhedged | 10.25 | HK0000402468 | VPATAU HK |
| Class A MDis AUD Hedged | 10.00 | HK0000402328 | VPATAH HK |
| Class A MDis CAD Hedged | 10.23 | HK0000402344 | VPATAC HK |
| Class A MDis HKD Unhedged | 10.12 | HK0000402369 | VPATAH HK |
| Class A MDis NZD Hedged | 9.98 | HK0000402385 | VPATAN HK |
| Class A MDis RMB Hedged | 10.15 | HK0000402401 | VPATAH HK |
| Class A MDis RMB Unhedged | 10.52 | HK0000402427 | VPATAR HK |
| Class A MDis SGD Hedged | 9.98 | HK0000402443 | VPATAS HK |

Dividend information – Class MDis ²

| Classes ¹ | Dividend amount / unit | Annualized yield ³ | Ex-dividend date |
|---------------------------|------------------------|-------------------------------|------------------|
| Class A MDis USD Unhedged | 0.0411 | 4.8% | 26-2-2021 |
| Class A MDis AUD Hedged | 0.0403 | 4.8% | 26-2-2021 |
| Class A MDis CAD Hedged | 0.0404 | 4.7% | 26-2-2021 |
| Class A MDis HKD Unhedged | 0.0405 | 4.8% | 26-2-2021 |
| Class A MDis NZD Hedged | 0.0413 | 5.0% | 26-2-2021 |
| Class A MDis RMB Hedged | 0.0477 | 5.6% | 26-2-2021 |
| Class A MDis RMB Unhedged | 0.0463 | 5.3% | 26-2-2021 |
| Class A MDis SGD Hedged | 0.0395 | 4.7% | 26-2-2021 |

The Fund – Class A Acc USD: Monthly performance from 9 Apr 2018 to 26 Feb 2021

| 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 | +1.1% | +1.2% | +2.5% | +0.8% | +0.4% | +1.9% | +0.8% | +0.8% | +0.1% | +1.3% | +0.4% | +0.7% | +12.6% |
| 2020 | +2.0% | -0.3% | -15.6% | +3.6% | +4.1% | +3.5% | +3.0% | +1.0% | -0.3% | +0.3% | +2.9% | +2.6% | +5.2% |
| 2021 (YTD) | +0.3% | +0.8% | | | | | | | | | | | +1.0% |

[^] Annualized return and volatility are calculated from inception based on published NAV. 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 holdings

| Name | Sector ⁴ | Country / region | % |
|---|------------------------|------------------|-----|
| Huarong Finance 2019 Co Ltd 4.25% 09/30/2025 | Diversified financials | China | 3.2 |
| Scentre Group Trust 2, 4.75% 09/24/2080 | Real estate | Australia | 3.2 |
| Bukit Makmur Mandiri Utama Ltd 7.75% 02/10/2026 | Energy | Indonesia | 3.1 |
| Jababeka International BV 6.5% 10/05/2023 | Real estate | Indonesia | 3.1 |
| Elect Global Investments Ltd 4.1% PERP | Real estate | Hong Kong | 2.9 |

Portfolio characteristics

| The Fund (Class A Acc USD) | |
|------------------------------------|-----------|
| Annualized volatility [^] | 10.9% |
| Average duration | 3.4 years |
| Yield to worst ⁵ | 5.4% |
| Number of bond issuers | 83 |

Geographical exposure ⁶

| | |
|-------------------|-------|
| China | 34.2% |
| Hong Kong | 12.4% |
| Indonesia | 9.2% |
| Australia | 8.1% |
| Japan | 4.9% |
| India | 2.4% |
| Singapore | 1.9% |
| Macao | 1.3% |
| Others | 17.8% |
| Cash ⁷ | 7.8% |

Sector exposure ^{4, 6}

| | |
|--|-------|
| Real estate | 30.8% |
| Energy | 14.0% |
| Diversified financials | 10.0% |
| Banks | 8.8% |
| Insurance | 5.7% |
| Materials | 4.5% |
| Automobiles & components | 3.6% |
| Retailing | 2.7% |
| Commercial & professional services | 2.4% |
| Utilities | 2.1% |
| Capital goods | 2.0% |
| Consumer services | 1.3% |
| Pharmaceuticals, biotechnology & life sciences | 1.3% |
| Transportation | 1.1% |
| Others | 1.9% |
| Cash ⁷ | 7.8% |

Credit ratings

| | | | |
|-------------------|-------|------------------------------------|-------|
| A | 4.0% | | |
| BBB | 43.9% | | |
| BB | 8.8% | | |
| B & Below | 28.6% | Investment grade | 47.9% |
| Non-Rated | 6.9% | High yield | 37.4% |
| Cash ⁷ | 7.8% | Average credit rating ⁸ | BBB- |

Currency breakdown

| | |
|-----|-------|
| USD | 88.7% |
| AUD | 4.1% |
| CNY | 2.2% |
| SGD | 2.2% |
| EUR | 2.0% |
| GBP | 0.8% |

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 |
| | 11 March 2020 |
| | Class A Acc SGD Hedged |
| | Class A MDis SGD Hedged |
| | 30 July 2020 |
| | Class A Acc RMB Unhedged |
| Dividend policy ² : | 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

Co-Chairmen & Co-Chief Investment Officers:
Cheah Cheng Hye; Louis So
Senior Investment Directors: Norman Ho, CFA; Renee Hung
Fixed income investment team:
Chief Investment Officer, Fixed Income: Gordon Ip, CFA
Investment Directors: Elaine Hu; Edwin Kam, CFA

Key fixed income awards



Best Fund Provider – High Yield Bond ⁹
~ Asian Private Banker Asset Management Awards for Excellence 2021

Top Investment House in Asian G3 Bonds (Asset Managers category) ¹⁰
~ The Asset Benchmark Research Awards 2020

CIO of the Year in Asia (Fixed Income) ¹¹
CIO of the Year (Fixed Income, Hong Kong) ¹¹
Winner: Mr. Gordon IP
~ Insight & Mandate, Professional Investment Awards 2020

Scan QR code for fund documents¹²:



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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email its@vp.com.hk.

1. 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. 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. 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. 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. 6. Exposure refers to net exposure (long exposure minus short exposure). Derivatives & index futures are calculated based on P/L instead of notional exposure. 7. Cash includes receivables and payables (except cash for collaterals and margins). 8. The letter rating, which may be based on bond ratings from different agencies, is provided to indicate the average credit rating of the portfolio's underlying investments without taking into account derivative positions. Issuer rating may be used for unrated securities. The average credit rating is determined 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. 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. 9. The assessment of each award category is based on 3 weighted criteria, and one weighted criterion based on feedback from private banking fund selectors. The weightings includes product performance (30%), asset gathering (20%), service competency/quality (20%) and fund selector feedback (30%). 10. The ranking for top investment houses in Asian G3 Bonds is generated from the number of votes received from the top-rated analysts, economists, strategists, salespeople and traders, for investors in these institutions. The score is also subject to a weighting methodology determined by the rating of the individual casting the vote for the investor. A total of 430 different institutions were evaluated and shortlisted to produce the 2020 ranking. 11. The award reflects performance up to 31 Dec 2019. 12. For Hong Kong investors only.

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 emerging markets, non-investment grade and unrated debt securities. 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 Fixed Maturity Bond Fund 2022

NAV per unit: USD9.93 (Class A MDis USD)

Fund size : USD26.0 million

February 2021

- 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 3 years from the Fund 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").
- 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.
- 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 unamortised 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.
- 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 unfavourable 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.
- 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.
- 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.
- 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.
- 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.
- Financial derivative instruments may be used for hedging. The use of derivatives may become ineffective and the Fund may suffer significant losses.
- 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.
- 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 targets to provide investors with stable income and total return by investing in a portfolio of fixed income securities in Asia over an investment period of approximately 3 years from the close of initial offer period up to the maturity date. The Fund is not a guarantee or capital protected product.

Top holdings

| Name | Sector ¹ | Country / region | % |
|---|------------------------|------------------|-----|
| Bangkok Bank PCL/Hong Kong 3.875% 09/27/2022 | Banks | Thailand | 3.7 |
| GC Treasury Center Co Ltd 4.25% 09/19/2022 | Materials | Thailand | 3.7 |
| Hongkong Land Finance Cayman Islands Co Ltd/The 4.5% 06/01/2022 | Real estate | China/Hong Kong | 3.7 |
| Nan Fung Treasury Ltd 4.5% 09/20/2022 | Real estate | China/Hong Kong | 3.7 |
| Pertamina Persero PT 4.875% 05/03/2022 | Energy | Indonesia | 3.7 |
| ICICI Bank Ltd/Dubai 3.25% 09/09/2022 | Banks | India | 3.6 |
| Huarong Finance II Co Ltd 3.625% 11/22/2021 | Diversified financials | China/Hong Kong | 3.5 |
| Fantasia Holdings Group Co Ltd 15% 12/18/2021 | Real estate | China/Hong Kong | 3.3 |
| China SCE Group Holdings Ltd 5.875% 03/10/2022 | Real estate | China/Hong Kong | 3.0 |
| Ronshine China Holdings Ltd 8.75% 10/25/2022 | Real estate | China/Hong Kong | 3.0 |

Sector exposure ^{1, 2}

| | |
|--------------------------|-------|
| Real estate | 40.6% |
| Banks | 16.3% |
| Diversified financials | 9.1% |
| Energy | 8.1% |
| Utilities | 6.8% |
| Capital goods | 5.5% |
| Materials | 5.3% |
| Automobiles & components | 4.4% |
| Food, beverage & tobacco | 1.6% |
| Transportation | 1.2% |
| Cash ³ | 1.1% |

Average duration 1.2 years

Yield to worst ⁴ 2.8%

Number of positions 46

Geographical exposure ²

| | |
|-------------------|-------|
| China | 49.9% |
| Korea | 10.8% |
| Thailand | 10.2% |
| Hong Kong | 10.1% |
| Indonesia | 6.5% |
| India | 5.2% |
| Malaysia | 1.6% |
| Singapore | 1.6% |
| United States | 1.6% |
| Japan | 1.4% |
| Cash ³ | 1.1% |

Dividend information – Class MDis ⁵

| Classes ⁶ | Ex-dividend date | Dividend amount / unit | Initial offer price | Annualized yield based on Initial offer price ⁷ |
|---------------------------------|------------------|------------------------|---------------------|--|
| Class A Units MDis AUD Hedged | 26-2-2021 | 0.0233 | 10 | 2.8% |
| Class A Units MDis HKD Unhedged | 26-2-2021 | 0.0300 | 10 | 3.6% |
| Class A Units MDis RMB Hedged | 26-2-2021 | 0.0350 | 10 | 4.2% |
| Class A Units MDis RMB Unhedged | 26-2-2021 | 0.0300 | 10 | 3.6% |
| Class A Units MDis USD Unhedged | 26-2-2021 | 0.0300 | 10 | 3.6% |

Credit ratings

| | |
|-------------------|-------|
| AA | 4.8% |
| A | 23.9% |
| BBB | 39.3% |
| BB | 6.7% |
| B & Below | 24.2% |
| Cash ³ | 1.1% |

Investment grade 68.0%

High yield 30.9%

Average credit rating ⁸ BBB

Fund codes

| Classes ⁶ | ISIN | Bloomberg |
|---------------------------------|--------------|------------|
| Class A Units MDis AUD Hedged | HK0000541752 | VPAAMAH HK |
| Class A Units MDis HKD Unhedged | HK0000541778 | VPAAMHU HK |
| Class A Units MDis RMB Hedged | HK0000541794 | VPAAMRH HK |
| Class A Units MDis RMB Unhedged | HK0000541802 | VPAAMRU HK |
| Class A Units MDis USD Unhedged | HK0000541810 | VPAAMUU HK |

Fund facts

| | |
|-------------------------|---|
| Manager: | Value Partners Hong Kong Limited |
| Administrator: | HSBC Institutional Trust Services (Asia) Limited |
| Initial offer price: | USD10/AUD10/HKD10/RMB10 |
| Launch date: | 22 November 2019 |
| Tenor: | 3 years |
| Expected maturity date: | 18 November 2022 |
| Base currency: | USD |
| Share classes issued: | MDis USD/HKD/AUD Hedged/ RMB Hedged/RMB Unhedged |
| Dividend policy: | Class A Units MDis – Aim at monthly distribution, subject to Manager's discretion |

Fee structure

| | |
|----------------------|---|
| Minimum subscription | USD10,000 or equivalent |
| Subscription fee | Up to 5% of the subscription amount |
| Management fee | 0.8% per annum |
| Swing pricing policy | Max. 3% (swing price) for net flow larger than 1% of AUM (swing factor) |
| Redemption frequency | Daily |

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis SoSenior Investment Directors: Norman Ho, CFA; Renee Hung

Fixed income investment team:

Chief Investment Officer, Fixed Income: Gordon Ip, CFAInvestment Directors: Elaine Hu; Edwin Kam, CFA

Key fixed income awards

Best Fund Provider – High Yield Bond ⁹

~ Asian Private Banker Asset Management Awards for Excellence 2021

Top Investment House in Asian G3 Bonds (Asset Managers category) ¹⁰

~ The Asset Benchmark Research Awards 2020

CIO of the Year in Asia (Fixed Income) ¹¹CIO of the Year (Fixed Income, Hong Kong) ¹¹Winner: Mr. Gordon Ip

~ Insight & Mandate, Professional Investment Awards 2020

Source: HSBC Institutional Trust Services (Asia) Limited, 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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

1. Classification is based on Bloomberg industry group. 2. Exposure refers to net exposure (long exposure minus short exposure). Derivatives e.g. index futures are calculated based on P/L instead of notional exposure. 3. Cash includes receivables and payables (except cash for collaterals and margins). 4. 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. 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. 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 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. 7. Annualized yield based on Initial offer price of MDis Class is calculated as follows: (Latest dividend amount/Initial offer price) 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 letter rating, which may be based on bond ratings from different agencies, is provided to indicate the average credit rating of the portfolio's underlying investments without taking into account derivative positions. Issuer rating may be used for unrated securities. The average credit rating is determined 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. 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. 9. The assessment of each award category is based on 3 weighted criteria, and one weighted criterion based on feedback from private banking fund selectors. The weightings includes product performance (30%), asset gathering (20%), service competency/quality (20%) and fund selector feedback (30%). 10. The ranking for top investment houses in Asian G3 bonds is generated from the number of votes received from the top-rated analysts, economists, strategists, salespeople and traders, for investors in these institutions. The score is also subject to a weighting methodology determined by the rating of the individual casting the vote for the investor. A total of 430 different institutions were evaluated and shortlisted to produce the 2020 ranking. 11. The award reflects performance up to 31 Dec 2019. 12. For Hong Kong investors only.

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, non-investment grade and unrated bonds. 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 in Hong Kong. Issuer: Value Partners Hong Kong Limited.

Scan QR code for fund documents¹²:

Value Partners Multi-Asset Fund

NAV per unit: Class A Acc USD - USD12.56

Fund size : USD61.8 million

February 2021

- 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.

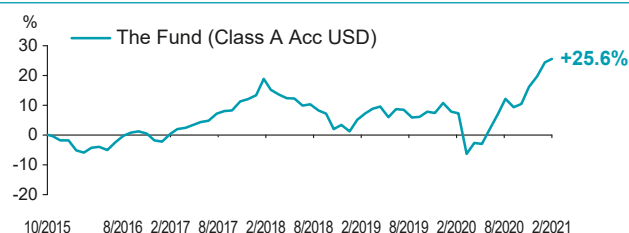
Investment objective

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.

NAVs & codes

| Classes ² | NAV | ISIN | Bloomberg |
|---------------------------|-------|--------------|------------|
| Class A Acc USD | 12.56 | HK0000269149 | VPMAAUS HK |
| Class A Acc HKD | 12.39 | HK0000269156 | VPMAHKD HK |
| Class A USD MDis | 9.56 | HK0000408119 | VPMAUMD HK |
| Class A HKD MDis | 9.44 | HK0000408127 | VPMAHMD HK |
| Class A AUD (Hedged) MDis | 9.22 | HK0000408135 | VPMAAHM HK |

Performance since launch ¹



Dividend information – Class MDis ³

| Classes ² | Dividend amount / unit | Annualized yield ⁴ | Ex-dividend date |
|---------------------------|------------------------|-------------------------------|------------------|
| Class A USD MDis | 0.0278 | 3.5% | 26-2-2021 |
| Class A HKD MDis | 0.0274 | 3.5% | 26-2-2021 |
| Class A AUD (Hedged) MDis | 0.0268 | 3.5% | 26-2-2021 |

Performance update ¹

| | The Fund (Class A Acc USD) |
|---|----------------------------|
| Year-to-date | +4.9% |
| One month | +1.0% |
| One year | +17.1% |
| Three years | +9.0% |
| Five years | +33.6% |
| Total return since launch | +25.6% |
| Annualized return since launch [^] | +4.3% |

The Fund – Class A Acc USD: Monthly performance from 13 Oct 2015 to 26 Feb 2021

| 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 | +3.9% | +1.9% | +1.6% | +0.6% | -3.2% | +2.5% | -0.2% | -2.5% | +0.3% | +1.6% | -0.4% | +3.1% | +9.4% |
| 2020 | -2.6% | -0.5% | -12.8% | +4.0% | -0.3% | +4.9% | +5.0% | +4.9% | -2.5% | +1.0% | +5.2% | +3.1% | +8.1% |
| 2021 (YTD) | +3.9% | +1.0% | | | | | | | | | | | +4.9% |

[^] Annualized return is calculated from inception based on published NAV.

Top holdings – equities

| Holdings | Industry ⁵ | Country/Region | % |
|---|------------------------|----------------|-----|
| Meituan | Consumer discretionary | China | 8.2 |
| Innovent Biologics Inc | Health care | China | 3.1 |
| Zoomlion Heavy Industry Science and Technology Co Ltd | Industrials | China | 3.0 |
| Lenovo Group Ltd | Information technology | China | 2.9 |
| Alibaba Group Holding Ltd | Consumer discretionary | China | 2.8 |

Top holdings – fixed income

| Holdings | Sector ⁵ | Country/Region | % |
|--|----------------------------------|----------------|-----|
| Bukit Makmur Mandiri Utama PT 7.75% 02/10/2026 | Energy | Indonesia | 0.4 |
| Huarong Finance 2019 Co Ltd 4.25% PERP | Diversified financials | China | 0.3 |
| Jababeka International BV 6.5% 10/05/2023 | Real estate | Indonesia | 0.3 |
| Scentre Group Trust 2 4.75% 09/24/2080 | Real estate | Australia | 0.3 |
| Tongfang Aqua Ltd 6.8% 01/10/2022 | Technology, hardware & equipment | China | 0.3 |

Portfolio characteristics

As at 26 Feb 2021

| | |
|--|-------|
| Portfolio yield ⁶ | 3.3% |
| The Fund (Class A Acc USD) | |
| Annualized volatility (3 years) ⁷ | 11.9% |

Equities – by country/region⁸

| | |
|-----------|-------|
| China | 63.1% |
| Hong Kong | 8.1% |
| Singapore | 0.7% |

Fixed income – by region⁸

| | |
|-----------------------------------|-------|
| Greater China | 16.1% |
| Emerging Markets ex Greater China | 5.3% |

By asset class⁸

| | |
|-----------------|-------|
| Equities | 71.9% |
| Fixed income | 21.4% |
| Other assets | 5.6% |
| Cash and others | 1.1% |

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

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

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

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Key awards

Best Total Return – Multi-asset allocation (1-Year & 3-Year, 2nd Runner-up)⁹

~ HKCAMA & Bloomberg, Offshore China Fund Awards 2020

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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fi@vp.com.hk.

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. 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. 3. 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. 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. Classification is based on Global Industry Classification Standard (GICS). 6. Portfolio yield is based on market consensus forecast as derived from FactSet and Bloomberg and is the weighted average of the total dividend yield of all securities in the portfolio. 7. Volatility is a measure of the theoretical risk in terms of standard deviation, based on monthly return over the past 3 years. 8. Exposure refers to net exposure (long exposure minus short exposure). Derivatives e.g. index futures are calculated based on P/L instead of notional exposure. 9. The awards recognize the top performing Multi-Asset Allocation funds issued by CAMAHK members with at least 1 year of historical performance as of 30 Sep 2020. The Best Total Return calculation methodology, Bloomberg calculates the customized 1 year, 3 years and 5 years total return using Bloomberg calcroute field "RT095-Custom Total Return Holding Period". 10. For Hong Kong investors only.

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.

Scan QR code for fund documents¹⁰:

Value Partners Fund Series

Value Partners Asian Income Fund

NAV per unit: Class A USD Acc - USD13.68 | Class A USD MDis - USD11.55

Fund size : USD182.2 million

★★★★★
Morningstar Rating™
As at 28-02-2021

Value Partners
Investing through discipline

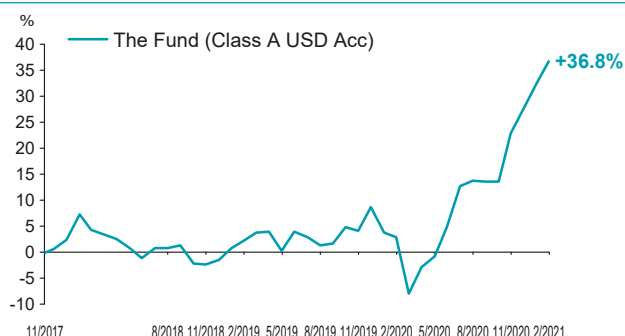
February 2021

- 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) |
|----------------------------------|----------------------------|
| Year-to-date | +7.0% |
| One month | +3.2% |
| One year | +32.8% |
| Three years | +31.0% |
| Five years | N/A |
| Total return since launch | +36.8% |
| Annualized return since launch ^ | +10.0% |

NAVs & codes

| Classes ¹ | NAV | ISIN | Bloomberg |
|---------------------------|-------|--------------|------------|
| Class A USD Unhedged Acc | 13.68 | HK0000352374 | VPUSUAU HK |
| Class A AUD Hedged MDis | 11.07 | HK0000352259 | VPAAHMU HK |
| Class A CAD Hedged MDis | 11.23 | HK0000352267 | VPACHMU HK |
| Class A HKD Unhedged MDis | 11.48 | HK0000352291 | VPAHUMU HK |
| Class A NZD Hedged MDis | 11.18 | HK0000352309 | VPANHMU HK |
| Class A RMB Hedged MDis | 11.43 | HK0000352317 | VPARHMU HK |
| Class A RMB Unhedged MDis | 11.24 | HK0000352325 | VPARUMU HK |
| Class A USD Unhedged MDis | 11.55 | HK0000352382 | VPAUHMU HK |
| Class A HKD Unhedged Acc | 13.63 | HK0000352283 | VPAHUAU HK |

The Fund – Class A USD Acc: Monthly performance from 13 Nov 2017 to 26 Feb 2021

| 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 | +2.4% | +1.4% | +1.6% | +0.1% | -3.5% | +3.6% | -1.0% | -1.6% | +0.3% | +3.0% | -0.6% | +4.3% | +10.4% |
| 2020 | -4.4% | -0.9% | -10.6% | +5.5% | +2.2% | +5.6% | +7.4% | +1.0% | -0.2% | +0.1% | +8.1% | +4.0% | +17.6% |
| 2021 (YTD) | +3.8% | +3.2% | | | | | | | | | | | +7.0% |

^ Annualized return is calculated from inception based on published NAV.

43rd Floor, The Center, 99 Queen's Road Central, Hong Kong
Hotline: Hong Kong (852) 2143 0688 | Singapore (65) 6718 0380
Email: fis@vp.com.hk www.valuepartners-group.com

Dividend information – Class MDis²

| Classes ¹ | Dividend amount / unit | Annualized yield ³ | Ex-dividend date |
|---------------------------|------------------------|-------------------------------|------------------|
| Class A AUD Hedged MDis | 0.0379 | 4.1% | 26-2-2021 |
| Class A CAD Hedged MDis | 0.0375 | 4.0% | 26-2-2021 |
| Class A HKD Unhedged MDis | 0.0388 | 4.1% | 26-2-2021 |
| Class A NZD Hedged MDis | 0.0388 | 4.2% | 26-2-2021 |
| Class A RMB Hedged MDis | 0.0455 | 4.8% | 26-2-2021 |
| Class A RMB Unhedged MDis | 0.0422 | 4.5% | 26-2-2021 |
| Class A USD Unhedged MDis | 0.0390 | 4.1% | 26-2-2021 |

Top holdings – equities

| Holdings | Industry ⁴ | Country / region | % |
|---|--|------------------|-----|
| Taiwan Semiconductor Manufacturing Co Ltd | Semiconductors & semiconductor equipment | Taiwan | 3.9 |
| Samsung Electronics Co Ltd | Technology, hardware & equipment | South Korea | 2.5 |
| Tencent Holdings Ltd | Media & entertainment | Hong Kong | 1.9 |
| Sitronix Technology Corp | Semiconductors & semiconductor equipment | Taiwan | 1.8 |
| United Microelectronics Corp | Semiconductors & semiconductor equipment | Taiwan | 1.8 |

Top holdings – fixed income

| Holdings | Sector ⁴ | Country / region | % |
|---|------------------------|------------------|-----|
| Tongfang Aqua Ltd 6.8% 01/10/2022 | Information technology | China | 1.9 |
| CAR Inc 8.875% 05/10/2022 | Industrials | China | 1.1 |
| China Evergrande Group 8.9% 05/24/2021 | Real estate | China | 1.1 |
| Sunac China Holdings Ltd 7.25% 06/14/2022 | Real estate | China | 0.9 |
| Ronshine China Holdings Ltd 11.25% 08/22/2021 | Real estate | China | 0.8 |

Portfolio characteristics

As at 26 Feb 2021

| | |
|--|-------|
| Portfolio yield ⁵ | 3.6% |
| The Fund (Class A USD Acc) | |
| Annualized volatility (3 years) ⁶ | 12.0% |

Asset type by geography (%) ⁷

| | Equities | Fixed Income | Total |
|-------------------|----------|--------------|-------|
| Hong Kong | 22.3 | 0.5 | 22.8 |
| Taiwan | 16.5 | - | 16.5 |
| China | - | 16.3 | 16.3 |
| H-shares | 7.0 | - | 7.0 |
| Japan | 6.0 | - | 6.0 |
| Red Chips | 5.0 | - | 5.0 |
| South Korea | 4.7 | - | 4.7 |
| China A-shares | 4.3 | - | 4.3 |
| Singapore | 3.4 | - | 3.4 |
| Indonesia | 0.8 | 1.1 | 1.9 |
| United States | 1.9 | - | 1.9 |
| India | - | 1.2 | 1.2 |
| Australia | - | 0.6 | 0.6 |
| Thailand | 0.2 | - | 0.2 |
| Others | 1.6 | - | 1.6 |
| Cash ⁸ | - | - | 6.6 |
| Total | 73.7 | 19.7 | 100.0 |

Asset type by sector (%) ⁴

| | Equities | Fixed Income | Total |
|------------------------|----------|--------------|-------|
| Information technology | 24.7 | 1.9 | 26.6 |
| Real estate | 6.9 | 9.9 | 16.8 |
| Consumer discretionary | 6.9 | 0.6 | 7.5 |
| Banks | 6.5 | - | 6.5 |
| Materials | 5.4 | 0.6 | 6.0 |
| Communication services | 4.9 | 0.6 | 5.5 |
| Energy | 4.2 | 1.1 | 5.3 |
| Industrials | 2.5 | 2.6 | 5.1 |
| Health care | 3.7 | 1.3 | 5.0 |
| Other financials | 2.3 | - | 2.3 |
| Utilities | 1.5 | 0.5 | 2.0 |
| Consumer staples | 1.9 | - | 1.9 |
| Insurance | 0.7 | - | 0.7 |
| Financials | - | 0.6 | 0.6 |
| Others | 1.6 | - | 1.6 |
| Cash ⁸ | - | - | 6.6 |
| Total | 73.7 | 19.7 | 100.0 |

Credit ratings of fixed income

| | | | |
|------------------------|-------|-------------------------------------|-------|
| BBB | 0.6% | Investment grade | 0.6% |
| BB | 5.2% | High yield | 15.9% |
| B & Below | 10.7% | Average credit rating ¹⁰ | BB- |
| Non-rated ⁹ | 3.2% | | |

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)

| | Acc | MDis |
|---------------------------------|--|--|
| Share classes | 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

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

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

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Fixed income investment team:

Chief Investment Officer, Fixed Income: Gordon Ip, CFA

Investment Directors: Elaine Hu; Edwin Kam, CFA

Key fixed income awards

Best Fund Provider – High Yield Bond ¹¹

~ Asian Private Banker Asset Management Awards for Excellence 2021

Top Investment House in Asian G3 Bonds (Asset Managers category) ¹²

~ The Asset Benchmark Research Awards 2020

CIO of the Year in Asia (Fixed Income) ¹³CIO of the Year (Fixed Income, Hong Kong) ¹³

Winner: Mr. Gordon IP

~ Insight & Mandate, Professional Investment Awards 2020

Scan QR code for fund documents¹⁴:

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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

* © Morningstar 2021. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. 1. 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. 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. 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. Portfolio yield is based on market consensus forecast as derived from FactSet and Bloomberg and is the weighted average of the total dividend yield of all securities in the portfolio. 6. Volatility is a measure of the theoretical risk in terms of standard deviation, based on monthly return over the past 3 years. 7. Equities are classified by country of listing and fixed income securities are classified by country of risk. 8. Cash: 6.6%, includes receivables and payables (except cash for collaterals and margins). 9. Including bonds whose issuers do not seek credit ratings. 10. The letter rating, which may be based on bond ratings from different agencies, is provided to indicate the average credit rating of the portfolio's underlying investments without taking into account derivative positions. Issuer rating may be used for unrated securities. The average credit rating is determined 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. 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. 11. The assessment of each award category is based on 3 weighted criteria, and one weighted criterion based on feedback from private banking fund selectors. The weightings includes product performance (30%), asset gathering (20%), service competency/quality (20%) and fund selector feedback (30%). 12. The ranking for top investment houses in Asian G3 bonds is generated from the number of votes received from the top-rated analysts, economists, strategists, salespeople and traders, for investors in these institutions. The score is also subject to a weighting methodology determined by the rating of the individual casting the vote for the investor. A total of 430 different institutions were evaluated and shortlisted to produce the 2020 ranking. 13. The award reflects performance up to 31 Dec 2019. 14. 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 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.

Value Partners Fund Series

Value Partners Asian Innovation Opportunities Fund



NAV per unit: Class A USD Acc - USD18.13 | Class A USD MDIs - USD17.71
Fund size : USD82.3 million

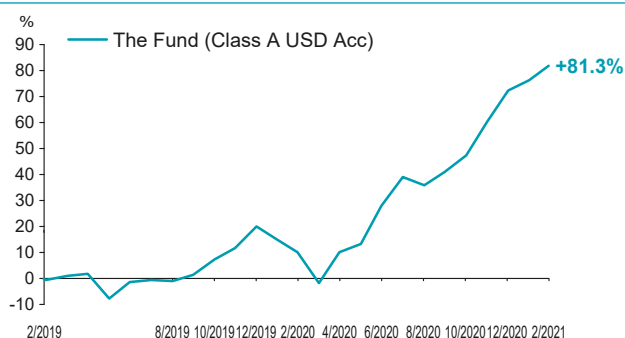
February 2021

- Value Partners Asian Innovation Opportunities Fund (the "Fund") invests predominantly in Asian equity and/or fixed income securities of companies that are related to innovative technologies or business innovations.
- The Fund's investments are concentrated in the Asian market and therefore 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 risks due to its concentration in the sectors relating to innovative technology or business innovation. Such companies are characterised by relatively higher uncertainty and volatility in price performance when compared to other economic sectors.
- The Fund may invest in small and mid-capitalisation companies. The stocks of such companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.
- The Fund may invest in unrated or below investment grade bonds 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 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.
- 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 maximise return and income by investing primarily (i.e. not less than 70% of its Net Asset Value) in Asian equity and/or fixed income securities relating to Asian companies that are listed, or have their registered offices in Asia or that generate a predominant share of their sales and/or their profits in Asia which are related to innovative technologies or business innovations including but not limited to information technology, consumption services, healthcare and financials.

Performance since launch



Performance update

The Fund (Class A USD Acc)

| | |
|----------------------------------|--------|
| Year-to-date | +5.5% |
| One month | +3.0% |
| Three months | +13.5% |
| Six months | +33.4% |
| One year | +64.4% |
| Total return since launch | +81.3% |
| Annualized return since launch ^ | +34.5% |

NAVs & codes

| Classes ¹ | NAV | ISIN | Bloomberg |
|---------------------------|-------|--------------|------------|
| Class A AUD Hedged MDIs | 16.85 | HK0000475878 | VPAIAAH HK |
| Class A CAD Hedged MDIs | 17.36 | HK0000475886 | VPAIACH HK |
| Class A HKD Unhedged Acc | 17.93 | HK0000475902 | VPAIOAU HK |
| Class A HKD Unhedged MDIs | 17.51 | HK0000475910 | VPAIAHU HK |
| Class A NZD Hedged MDIs | 16.90 | HK0000475928 | VPAIANH HK |
| Class A RMB Hedged MDIs | 17.71 | HK0000475936 | VPAIARH HK |
| Class A SGD Hedged Acc | 17.82 | HK0000475944 | VPAIASH HK |
| Class A SGD Hedged MDIs | 17.46 | HK0000475951 | VPASIAH HK |
| Class A USD Unhedged Acc | 18.13 | HK0000475969 | VPASIAU HK |
| Class A USD Unhedged MDIs | 17.71 | HK0000475977 | VPASAUU HK |

The Fund – Class A USD Acc: Monthly performance from 26 Feb 2019 to 26 Feb 2021

| Year | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Annual |
|------------|-------|-------|--------|--------|-------|--------|-------|-------|-------|-------|-------|-------|--------|
| 2019 | N/A | -0.3% | +1.6% | +0.9% | -9.4% | +6.8% | +0.8% | -0.4% | +2.4% | +6.0% | +3.9% | +7.3% | +20.2% |
| 2020 | -4.3% | -4.1% | -10.6% | +12.1% | +2.9% | +12.7% | +8.4% | -2.2% | +3.8% | +4.5% | +8.3% | +7.6% | +43.0% |
| 2021 (YTD) | +2.4% | +3.0% | | | | | | | | | | | +5.5% |

[^] Annualized return and volatility are calculated from inception based on published NAV. 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.

43rd Floor, The Center, 99 Queen's Road Central, Hong Kong
Hotline: Hong Kong (852) 2143 0688 | Singapore (65) 6718 0380
Email: fis@vp.com.hk | www.valuepartners-group.com

Dividend information – Class MDIs ²

| Classes ¹ | Dividend amount / unit | Annualized yield ³ | Ex-dividend date |
|---------------------------|------------------------|-------------------------------|------------------|
| Class A AUD Hedged MDIs | 0.0114 | 0.8% | 26-2-2021 |
| Class A CAD Hedged MDIs | 0.0165 | 1.1% | 26-2-2021 |
| Class A HKD Unhedged MDIs | 0.0189 | 1.3% | 26-2-2021 |
| Class A NZD Hedged MDIs | 0.0123 | 0.9% | 26-2-2021 |
| Class A RMB Hedged MDIs | 0.0249 | 1.7% | 26-2-2021 |
| Class A SGD Hedged MDIs | 0.0164 | 1.1% | 26-2-2021 |
| Class A USD Unhedged MDIs | 0.0190 | 1.3% | 26-2-2021 |

Top holdings – equities

| Holdings | Sector ⁴ | Geography | % |
|---|--|-------------|-----|
| Taiwan Semiconductor Manufacturing Co Ltd | Semiconductors & semiconductor equipment | Taiwan | 8.4 |
| Samsung Electronics Co Ltd | Technology, hardware & equipment | South Korea | 8.3 |
| Renesas Electronics Corp | Semiconductors & semiconductor equipment | Japan | 5.0 |
| Sitronix Technology Corp | Semiconductors & semiconductor equipment | Taiwan | 4.9 |
| Tencent Holdings Ltd | Media & entertainment | Hong Kong | 3.9 |

These equities constitute 31% of the Fund.

Top holdings – fixed income

| Holdings | Sector ⁴ | Geography | % |
|---------------------------------|----------------------------------|-----------|-----|
| Lenovo Perpetual Securities Ltd | Technology, hardware & equipment | China | 1.0 |
| 5.875% 04/24/2025 | | | |
| SoftBank Group Corp | Telecommunication services | Japan | 0.7 |
| 5.125% 09/19/2027 | | | |

These fixed income securities constitute 2% of the Fund.

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惠理集团

Portfolio characteristics

As at 26 Feb 2021

| | |
|------------------------------------|-------|
| Portfolio yield ⁵ | 2.0% |
| The Fund (Class A USD Acc) | |
| Annualized volatility [^] | 20.3% |

Asset type by geography (%) ⁶

| | Equities | Fixed Income | Total |
|-------------------|----------|--------------|-------|
| Taiwan | 32.4 | - | 32.4 |
| South Korea | 20.2 | - | 20.2 |
| Japan | 16.9 | 0.7 | 17.6 |
| Hong Kong | 7.5 | - | 7.5 |
| United States | 7.4 | - | 7.4 |
| Red Chips | 5.6 | - | 5.6 |
| China A-shares | 3.0 | - | 3.0 |
| China | - | 1.0 | 1.0 |
| Cash ⁷ | - | - | 5.3 |
| Total | 93.0 | 1.7 | 100.0 |

Asset type by sector (%) ⁴

| | Equities | Fixed Income | Total |
|--|----------|--------------|-------|
| Semiconductors & semiconductor equipment | 36.7 | - | 36.7 |
| Technology, hardware & equipment | 17.3 | 1.0 | 18.3 |
| Media & entertainment | 10.2 | - | 10.2 |
| Health care equipment & services | 6.8 | - | 6.8 |
| Retailing | 5.1 | - | 5.1 |
| Automobiles & components | 3.8 | - | 3.8 |
| Consumer durables & apparel | 2.8 | - | 2.8 |
| Materials | 2.7 | - | 2.7 |
| Pharmaceuticals, biotechnology & life sciences | 2.7 | - | 2.7 |
| Capital goods | 1.5 | - | 1.5 |
| Commercial services & supplies | 1.4 | - | 1.4 |
| Food, beverage & tobacco | 1.3 | - | 1.3 |
| Software & services | 0.7 | - | 0.7 |
| Telecommunication services | - | 0.7 | 0.7 |
| Cash ⁷ | - | - | 5.3 |
| Total | 93.0 | 1.7 | 100.0 |

Credit ratings of fixed income

| | | |
|-----|------------------------------------|------|
| | Investment grade | 1.0% |
| BBB | High yield | 0.7% |
| BB | Average credit rating ⁸ | BBB |

Fund facts

| | |
|----------------|--|
| Manager: | Value Partners Hong Kong Limited |
| Base currency: | USD |
| Trustee: | HSBC Institutional Trust Services (Asia) Limited |
| Launch date: | 26 Feb 2019 |
| | Class A AUD Hedged MDIs |
| | Class A CAD Hedged MDIs |
| | Class A HKD Unhedged Acc |
| | Class A HKD Unhedged MDIs |
| | Class A NZD Hedged MDIs |
| | Class A RMB Hedged MDIs |
| | Class A SGD Hedged Acc |
| | Class A SGD Hedged MDIs |
| | Class A USD Unhedged Acc |
| | Class A USD Unhedged MDIs |

Fee structure (Class A)

| | Acc | MDIs |
|---------------------------------|---|---|
| Share classes | HKD/USD unhedged, SGD hedged ¹ | HKD/USD unhedged, AUD/CAD/NZD/RMB/SGD hedged ¹ |
| 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

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

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

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Kelly Chung, CFA; Doris Ho; Glenda Hsia; Amy Lee, CFA, CAIA; Luo Jing, CFA; Frank Tsui

Fixed income investment team:

Chief Investment Officer, Fixed Income: Gordon Ip, CFA

Investment Directors: Elaine Hu; Edwin Kam, CFA

Key corporate awards

CIO of the Year in Asia (Fixed Income) ⁹CIO of the Year (Fixed Income, Hong Kong) ⁹

Winner: Mr. Gordon IP

~ Insight & Mandate, Professional Investment Awards 2020

Top Investment House in Asian G3 Bonds ¹⁰Top Investment House in Asian Local Currency Bond ¹⁰
(both for the Hedge Fund category)

~ The Asset Benchmark Research Awards 2019

Asia ex-Japan Equity House: Best-in-Class

Greater China Equity House: Outstanding Achiever

~ Benchmark Fund of the Year Awards 2018, Hong Kong ¹¹Scan QR code for fund documents ¹²:

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. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fig@vp.com.hk.

1. 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. 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. 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. Portfolio yield is based on market consensus forecast as derived from FactSet and Bloomberg and is the weighted average of the total dividend yield of all securities in the portfolio. 6. Equities are classified by country of listing and fixed income securities are classified by country of risk. 7. Cash: 5.3%, includes receivables and payables (except cash for collaterals and margins). 8. The letter rating, which may be based on bond ratings from different agencies, is provided to indicate the average credit rating of the portfolio's underlying investments without taking into account derivative positions. Issuer rating may be used for unrated securities. The average credit rating is determined 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. 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. 9. The award reflects performance up to 31 Dec 2019. 10. The Asset Benchmark Research Awards 2019 judged performance of top investment houses based on the number of votes from top-rated analysts, economists and strategists. 11. The award reflects performance up to 30 Sep 2018. 12. 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 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.



Value Gold ETF

**03081
HKD****83081
RMB****09081
USD**

The only ETF backed by physical gold stored in Hong Kong

February 2021

- 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 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 has adopted a multi counter and units are traded in HKD, RMB and USD on SEHK. The nature of the multi-counter may make investment in the units riskier than in single counter units or shares of an SEHK listed issuer. Investors without RMB or USD accounts may buy and sell HKD traded units only.
- RMB is 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 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.
- Trading prices of units on the SEHK are subject to market forces and the units may trade at a substantial premium/discount to the net asset value of the Fund.
- You should not make investment decision on the basis of this material alone. Please read the prospectus for details and risk factors.

Investment objective

The Fund aims to provide investment results that, before fees and expenses, closely correspond to the morning (London time) fixing price of gold per troy ounce quoted in US dollars, published by the London Bullion Market Association (LBMA). The trust is fully backed by physical gold stored in Hong Kong.

Total Gold in Trust

| | |
|-------------------|------------------|
| Gold value (HK\$) | 1,665,953,040.59 |
| Gold in kilogram | 3,784.62 |

Fund performance update

| | The Fund | LBMA Gold Price |
|-------------------------------------|----------|-----------------|
| One month | -4.7% | -4.7% |
| Three months | -0.4% | -0.3% |
| Year-to-date | -6.7% | -6.6% |
| One year | +7.6% | +8.0% |
| Three years | +30.9% | +32.5% |
| Five years | +39.7% | +42.7% |
| Since launch | +27.2% | +33.0% |
| Since launch (Annualized return) | +2.4% | +2.8% |

Annual return since launch

| | The Fund | LBMA Gold Price |
|---------------------|----------|-----------------|
| 2010 (Since launch) | +6.4% | +6.5% |
| 2011 | +11.1% | +11.6% |
| 2012 | +5.0% | +5.5% |
| 2013 | -28.1% | -27.8% |
| 2014 | -0.6% | -0.2% |
| 2015 | -11.9% | -11.5% |
| 2016 | +8.6% | +9.2% |
| 2017 | +12.3% | +12.7% |
| 2018 | -1.4% | -1.0% |
| 2019 | +17.7% | +18.2% |
| 2020 | +23.1% | +23.6% |
| 2021 (YTD) | -6.7% | -6.6% |

Award - Value Gold ETF

**Quantitative Top Fund – Precious Metals
Commodity Category (Best-in-Class)**
~ Benchmark Fund of the Year Awards 2019,
Hong Kong¹



Commodity ETF House (Best-in-Class)
~ Benchmark Fund of the Year Awards 2018,
Hong Kong¹

Fund information

| | |
|---|--|
| Fund price (NAV) | HK\$42.0975 |
| Fund size | HK\$1,667.1 million |
| Listing date | HKD Counter - 3 November 2010 RMB Counter - 29 November 2013 USD Counter - 31 March 2017 |
| Stock code | HKD Counter - 03081 RMB Counter - 83081 USD Counter - 09081 |
| Exchange listing | The Stock Exchange of Hong Kong Limited – Main Board |
| Gold type | Minimum fineness of 99.5% of gold (from the approved refiners which are included in the LBMA Good Delivery List of Acceptable Refiners: Gold) |
| Benchmark | LBMA Gold Price |
| Investment manager | Sensible Asset Management Hong Kong Limited |
| Sub-investment manager | Value Partners Hong Kong Limited |
| Metal provider | Heraeus Metals Hong Kong Limited Standard Chartered Bank |
| Trustee and registrar | HSBC Institutional Trust Services (Asia) Limited |
| Custodian | HKIA Precious Metals Depository Limited |
| Auditor | Ernst & Young |
| Participating dealers | Physical gold delivery/cash settlement – Redford Securities Limited Cash settlement – ABN AMRO Clearing Hong Kong Limited – Chief Securities Limited – Credit Suisse Securities (Hong Kong) Limited – Goldman Sachs (Asia) Securities Limited – Haitong International Securities Company Limited – KGI Asia Limited – Mirae Asset Securities (HK) Limited – Nomura International (Hong Kong) Limited |
| Market makers | HKD counter: – Flow Traders Hong Kong Limited – Merrill Lynch Far East Limited – SG Securities (HK) Limited RMB counter: – Flow Traders Hong Kong Limited – SG Securities (HK) Limited USD counter: – Flow Traders Hong Kong Limited – SG Securities (HK) Limited |
| Trading board lot size | HKD Counter - 100 units RMB Counter - 100 units USD Counter - 100 units |
| Bloomberg ticker | HKD Counter - 03081 HK <Equity> RMB Counter - 83081 HK <Equity> USD Counter - 9081 HK <Equity> |
| Base currency | HK Dollar |
| Trading currency | HKD Counter - HK Dollar (HKD) RMB Counter - Renminbi (RMB) USD Counter - US Dollar (USD) |
| In-kind creation/ redemption unit size (by authorized participants only) | Minimum 300,000 units (or multiples thereof) |
| Management fee² | Approximately 0.40% per annum |
| Dividend policy | None |

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 in base currency, NAV to NAV with dividend reinvested and net of fees.

1. BENCHMARK aggregates 12 monthly score sets for each fund between 1 Oct 2018 and 30 Sep 2019, and between 1 Oct 2017 and 30 Sep 2018, respectively. Monthly score sets are calculated by aggregating the 12-monthly rolling one-year, three-and five-year (USD) returns, and by adding a risk score for their risk-adjusted returns. Funds in the final score set with a negative Sortino ratio will be excluded from the assessment for the awards. 2. The management fee is a single flat fee to cover all of the Custodian's fee, Trustee's and Registrar's fees and other costs and expenses. 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, particularly those associated with the arrangement in the event that the Fund is delisted. The Fund's prospectus is available and may be obtained from website. Investors should also note that the Fund is different from a typical retail investment fund. Units in the Fund may only be created or redeemed directly by a participating dealer in large unit sizes.

This document has not been reviewed by the Securities and Futures Commission. Issuer: Sensible Asset Management Hong Kong Limited.

43rd Floor, The Center, 99 Queen's Road Central, Hong Kong

Telephone: (852)2880 9263 Email: operations@valueETF.com.hk www.valueETF.com.hk