

2021 Interim Results

For the six months ended 30 June 2021

Results Presentation, 12 August 2021



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Financial highlights

Steffanie YUEN

Managing Director,

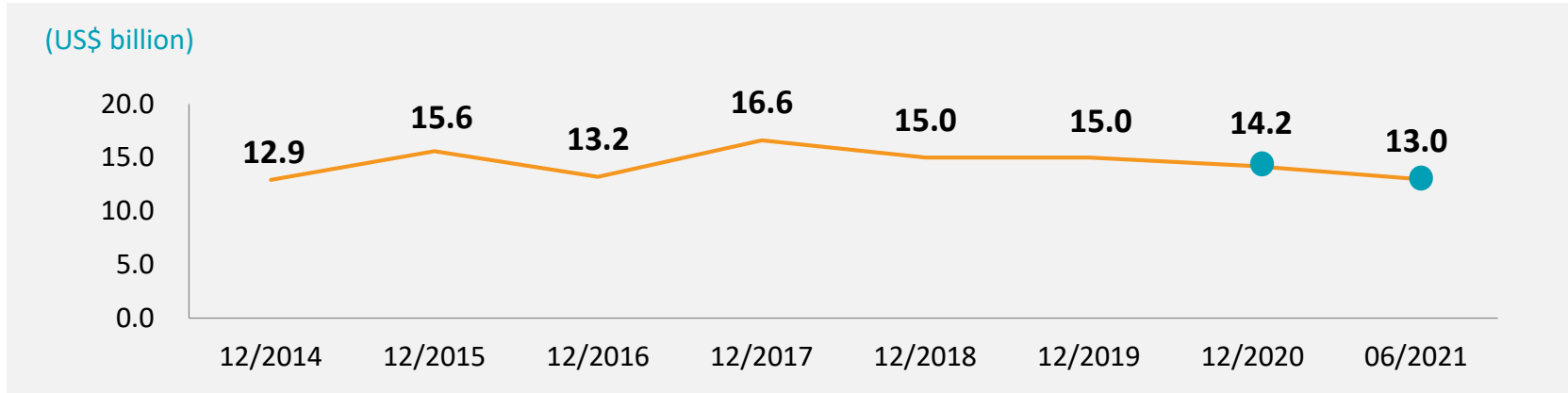
Head of Marketing, Communications and Investor Relations

Financial highlights

(In HK\$ million)	1H 2021 (unaudited)	1H 2020 (unaudited)	% Change
Profit attributable to owners of the Company	209.8	125.5	+67.2%
Total revenue	707.8	579.8	+22.1%
Gross management fees	501.9	519.6	-3.4%
Gross performance fees	91.3	15.6	+485.3%
Total expenses	(250.8)	(239.9)	+4.5%
Operating profit (before other gains/losses)	193.4	114.7	+68.6%
Other gains - net	33.7	23.0	+46.5%
Basic earnings per share (HK cents)	11.3	6.8	+66.2%
Diluted earnings per share (HK cents)	11.2	6.8	+64.7%
Interim dividend per share (HK cents)	Nil	Nil	Nil

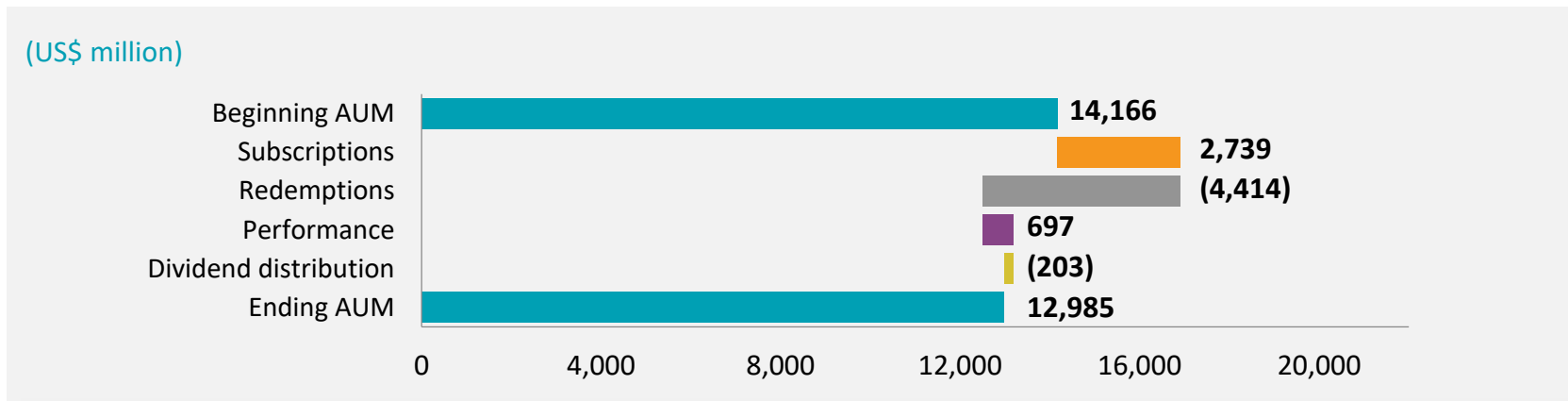
Assets under management (“AUM”)

Value Partners’ AUM stood at US\$13.0 billion as of 30 June 2021 ¹



1H 2021 fund flows
Net outflow : US\$1.7 billion

AUM change in 1H 2021 ²



1H 2021 fund flows
Gross subscriptions: US\$2.7 billion
Gross redemptions: US\$4.4 billion

AUM analysis

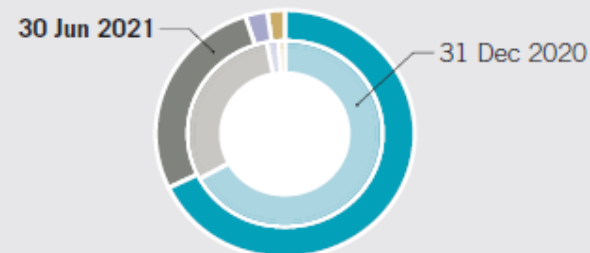
Classification by brand

	30 Jun 2021	31 Dec 2020
Own Branded Funds	80%	73%
White Label & Co-branded Funds	20%	27%



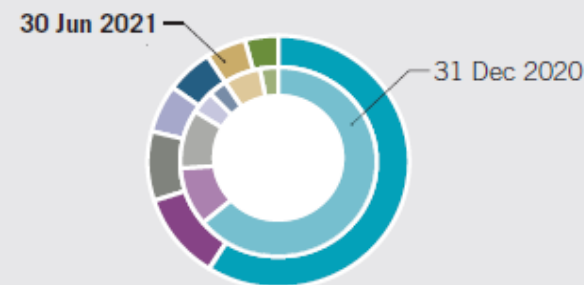
Classification by strategy

	30 Jun 2021	31 Dec 2020
Absolute Return Long-biased Funds	68%	67%
Fixed Income Funds	27%	30%
Alternative Funds	3%	2%
Quantitative Funds & ETF	2%	1%

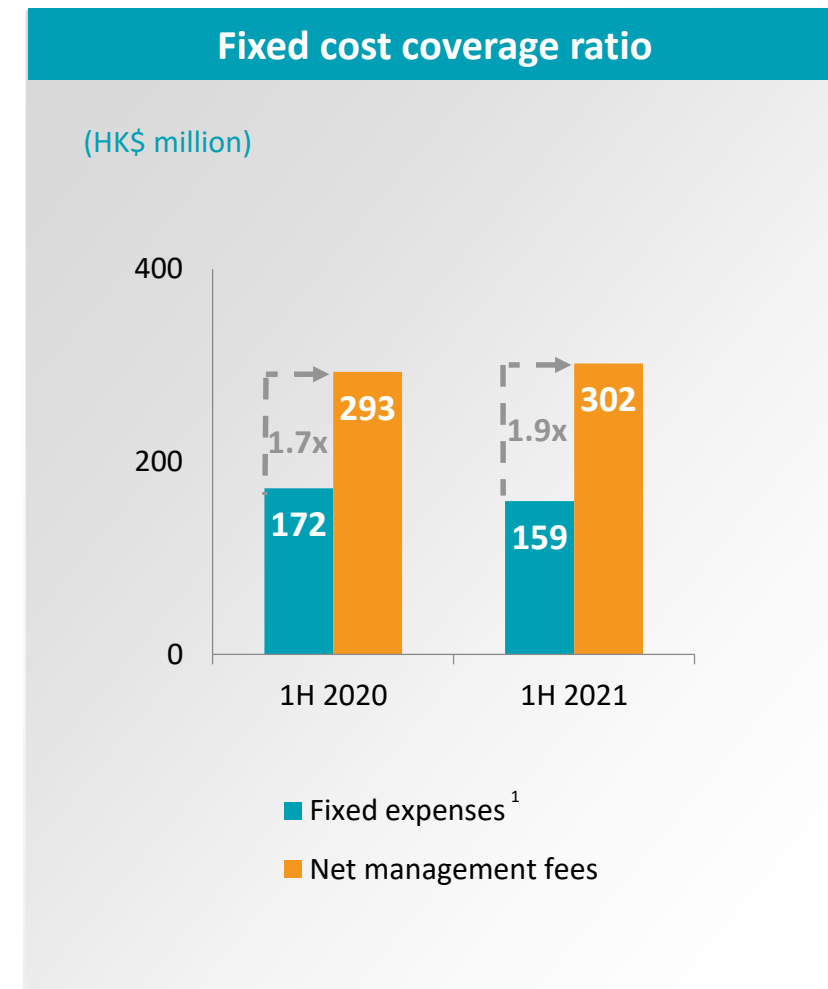
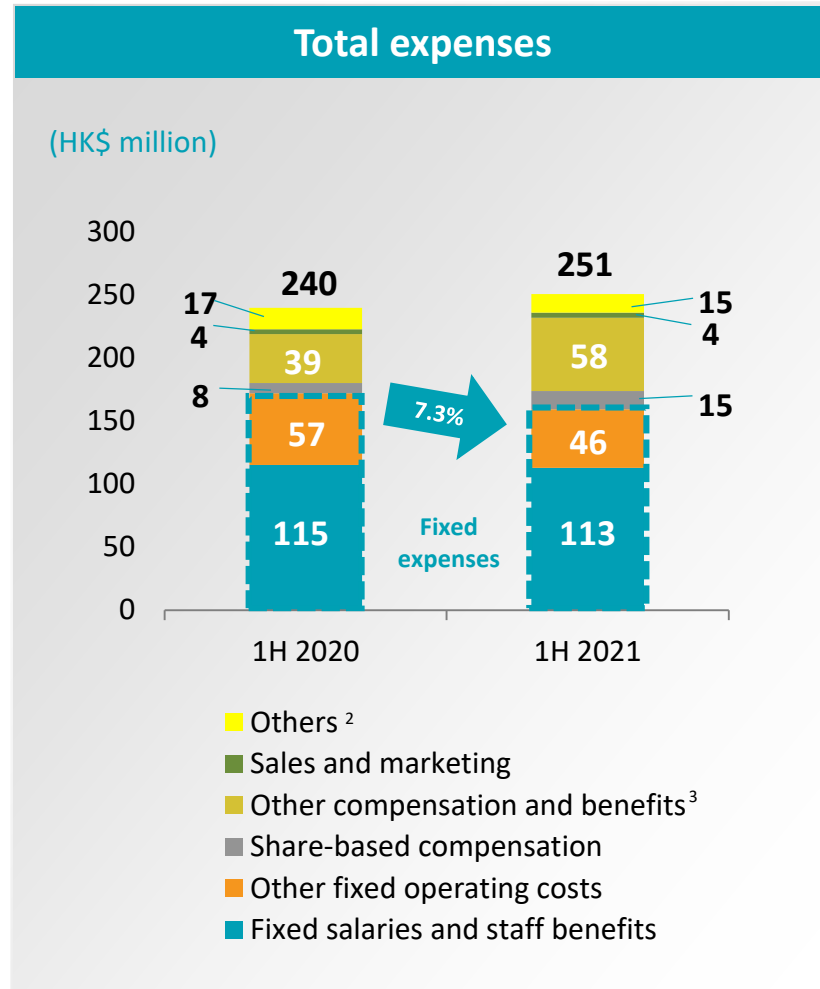


Client analysis by geographical region

	30 Jun 2021	31 Dec 2020
Hong Kong SAR	59%	64%
Europe	11%	10%
Mainland China	9%	10%
United States	6%	4%
Japan	6%	3%
Singapore	5%	6%
Others	4%	3%



Stringent cost control



Source: Value Partners; For the six months ended 30 June 2020 and 2021.

1. Fixed expenses mainly represent fixed salaries and benefits, rent, investment research, other administrative and office expenses for asset management business.
2. Others includes depreciation and non-recurring expenses.
3. Other compensation and benefits includes the management bonus and staff rebates.

Strong balance sheet

As at 30 June 2021	HK\$ million
ASSETS	
Current assets	2,170
• Cash & cash equivalents	• 1,939
• Investments ¹	• 19
• Fees receivables	• 177
Non-current assets	3,418
• Investments (including investment in JV and investment property) ¹	• 3,142
Total assets	5,588
LIABILITIES	
Current liabilities	381
• Accrued bonus	• 19
• Distribution fee expenses payable	• 112
Non-current liabilities	190
Total liabilities	571
EQUITY	
Equity attributable to owners of company	5,017
• Issued equity	• 1,404
• Retained earnings	• 3,314
Total equity	5,017

Source: Value Partners; As at 30 June 2021.

1. Investments (including investments, investment in joint ventures and investment property) = HK\$ 3,161 million

Business and strategy updates

Angel TENG

Managing Director, Chief Strategy Officer

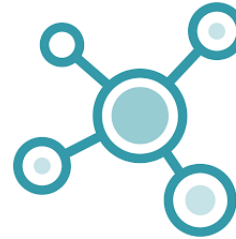
Gary GUAN

Managing Director, Co-Head of China Business

Value Partners 3 key growth drivers



**Expand geographical
and channel reach**



**Grow product range
in new asset classes**

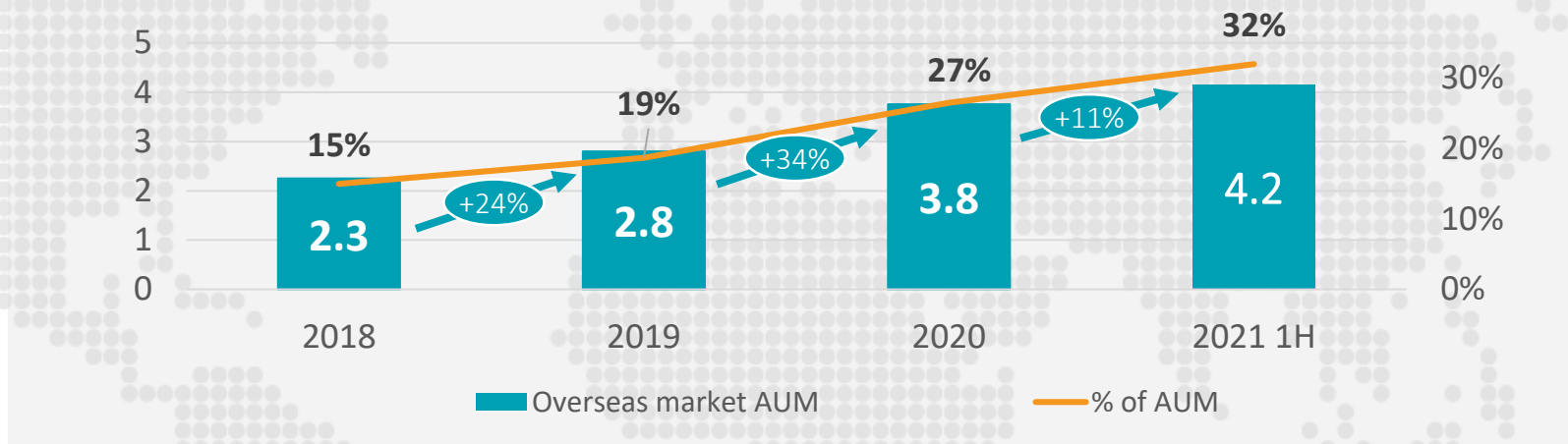


**Capture opportunities
in China onshore market**

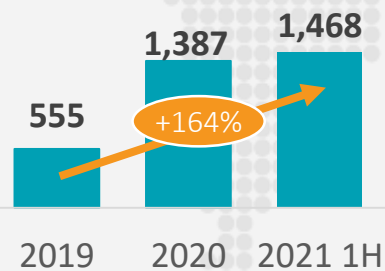
Strong growth in AUM from overseas markets

AUM from overseas markets

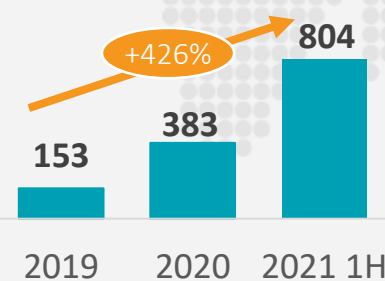
(US\$ billion)



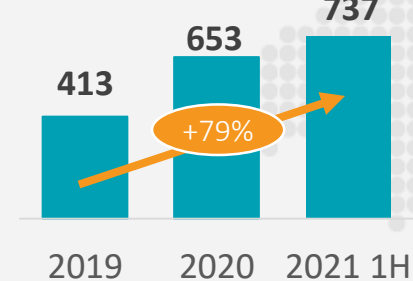
Europe AUM (US\$ million)



Japan AUM (US\$ million)



North America AUM (US\$ million)



Product suite expansion and innovation

- Continued expansion of our **fixed income product suite**, including the launch of our **UCITS-compliant ICAV – Asian Dynamic Bond strategy** and **All China Bond strategy** registration in HK
- Low-mid risk fixed income products expected to be first batch of eligible products for **GBA Wealth Management Scheme**

Fixed income



China / Asian equities



- Strong performance and continuous inflows** into our flagship funds including Greater China equity strategy and High-Dividend Stocks strategy in 1H 2021

Thematic



- Thematic equities such as **Health Care strategy and Innovation strategy** continue to achieve **strong performance and continuous inflows**
- Health Care strategy onboarded on major retail channels in Hong Kong, **and grew 3X this year from US\$150m to more than US\$400m**
- More thematic strategies in the pipeline, in particular ESG-related themes given increased investor interest

Value Investing Core

Multi-asset



- Strong inflows into multi-asset products in 1H21 which was launched in new distribution channels, **AUM growth 2x since 2020**
- Asian asset allocation strategy continues to achieve 1st quartile peer group performance

ETFs



- Listed our first ETF in Malaysia**, the Value Partners Shariah-compliant A-Share ETF on 28 July 2021
- Complies with Shariah principles and is the first pure A-shares ETF in the country, and first-ever ETF in the world that tracks the Dow Jones Islamic Market China A-Shares 100 Index
- Our **Gold ETF** continues to receive strong investor interest, and launched un-listed share class for different investor needs

Alternatives



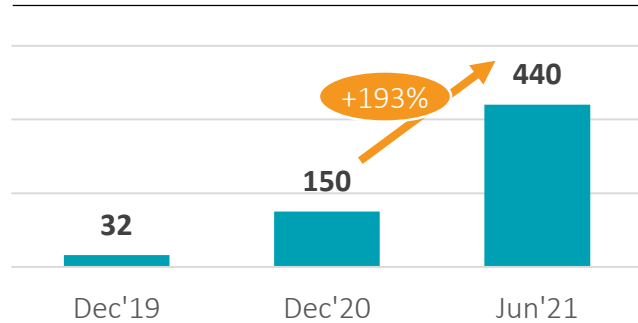
- New products in the pipeline such as Shariah-compliant real estate strategy and other private equity strategies

Thematic equities and multi-asset growth



Thematic

Healthcare equity strategy AuM (USD'm)



★★★★★
Morningstar Rating™
As at 30-06-2021

- YTD Performance: **+9.1%**
- Morningstar peer group **ranking 1st** in 5 yr and since inception periods



Healthcare equity strategy:
Cross-harbour tunnel
outdoor ad



Healthcare equity strategy:
Mini-film video promotion

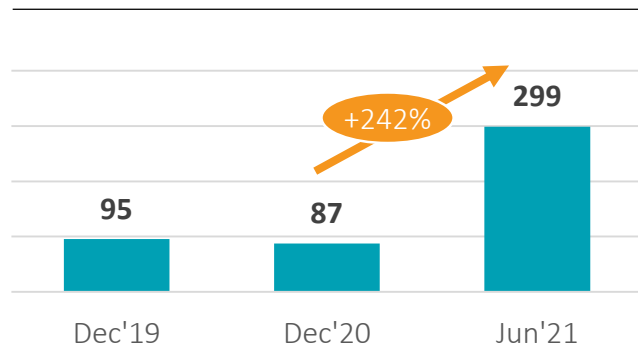


Asian asset allocation strategy:
Tram wrap outdoor ad



Multi-asset

Asian asset allocation strategy AuM (USD'm)



★★★★★
Morningstar Rating™
As at 30-06-2021

- YTD Performance: **+9.9%**
- Morningstar peer group **ranking 1st** in YTD, 1m, 3m, 1 yr, 3 yr, since inception periods

Asian asset allocation:
MTR station main
concourse ad



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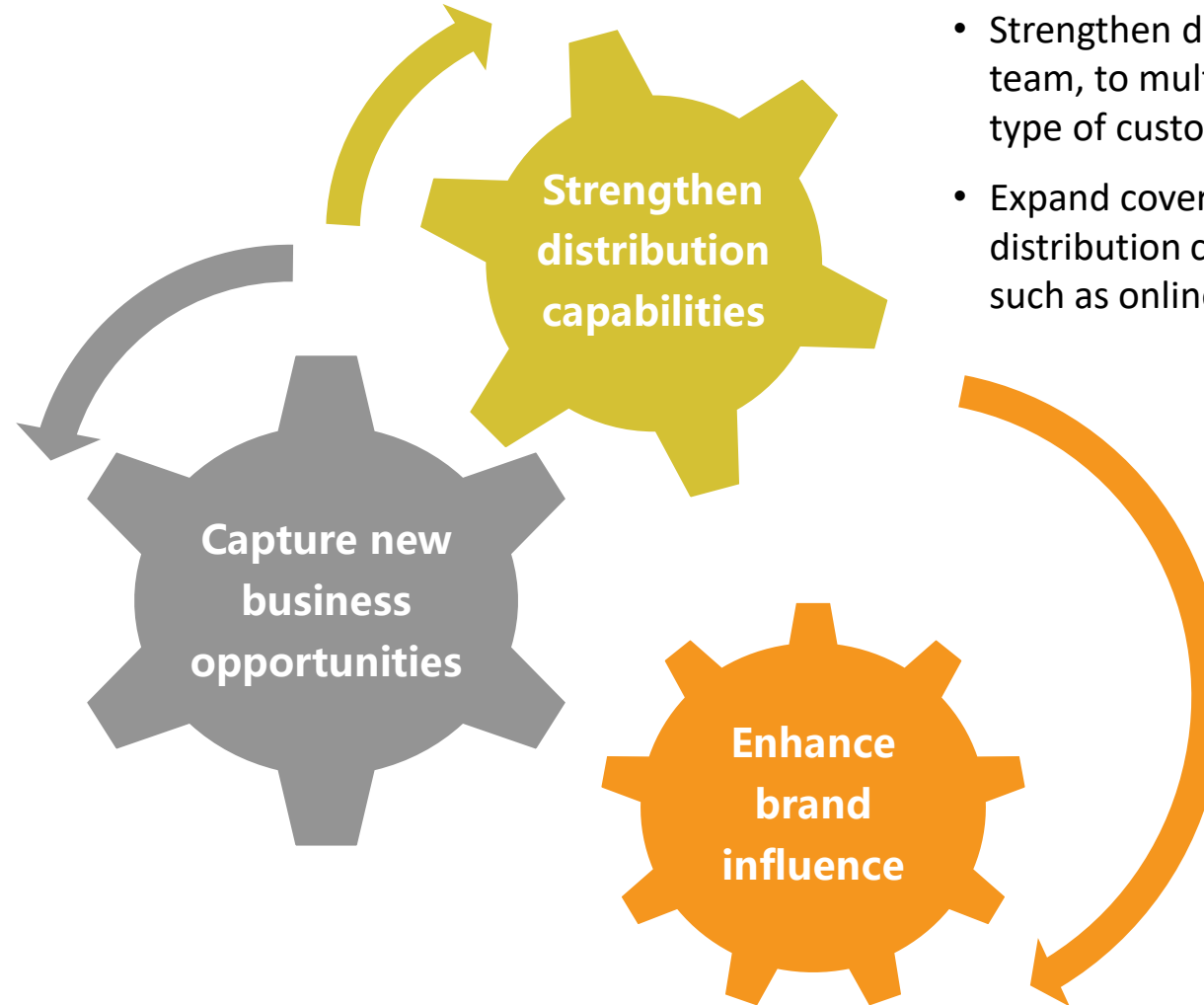
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Performance as of 30 June 2021, in USD, NAV to NAV, with dividend reinvested and net of fees.

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Capturing opportunities in onshore China

- Actively preparing for the highly anticipated launch of the Greater Bay Area (“GBA”) Wealth Management Connect Scheme
- Capture opportunities from the opening up of China’s financial markets to foreign asset managers



- Strengthen distribution channel sales team, to multi-regional and multi-type of customers coverage
- Expand coverage to innovative distribution channels expansion, such as online internet platforms

- Build our brand influence in Mainland China including firm history, investment philosophy and fund track record
- Strengthen investment in direct-to-customer marketing including traditional media/PR and innovative digital channels

Appendix: The management team

(By order of presentation)



Steffanie YUEN

Managing Director,
Head of Marketing, Communications
and Investor Relations

- Ms. Steffanie YUEN is Managing Director of Value Partners. She leads the Group's Marketing and Communications, investor relations function and other growth initiatives
- She joined Value Partners in April 2021. Prior to joining Value Partners, she was Director of Business Development and Strategic Partnerships at Ant Group, responsible for driving strategic collaborations and partnerships with asset and wealth managers
- She started her career in the investment banking divisions of Deutsche Bank and Barclays in Hong Kong, and has extensive experience in corporate finance and capital markets
- She graduated Summa Cum Laude from New York University's Stern School of Business with a Bachelor's degree in Finance and Accounting



Angel TENG

Managing Director,
Chief Strategy Officer

- Ms. Angel TENG is Managing Director and Chief Strategy Officer of Value Partners, where she is responsible for designing, planning and leading execution on strategic growth initiatives and building strategic partnerships of the Group
- She joined Value Partners in September 2019. Prior to joining Value Partners, she worked at McKinsey & Company as an Engagement Manager and HSBC as a Management Trainee. She has broad experience in strategy planning, particularly for financial institutions including asset managers, multi-national banks, regional banks and other non-bank financial institutions in Hong Kong, Taiwan and mainland China
- She graduated with a Bachelor's degree in Economics from the National Taiwan University and a Master's degree in Business Administration from the University of Cambridge



Gary GUAN

Managing Director,
Co-Head of China Business

- Mr. Gary GUAN is Managing Director, Co-Head of China Business, where he is responsible for leading and developing the Group's institution business in mainland China. He is among the first batch of professionals having work in China's mutual fund industry and brings over 20 years of fund industry experience. He has extensive and broad knowledge of funds and investment products, combined with strong institutional and distribution networks
- He joined Value Partners in April 2013 as General Manager, and has been in charge of the institutional business in mainland China. Prior to joining Value Partners, he was Assistant General Manager at Goldstate Value Partners Fund Management. Before that, he was Head of Marketing at Mingsheng Royal Fund Management and Changsheng Fund Management
- He holds a Bachelor's degree in International Finance from Renmin University of China and a Master's degree in Finance from Capital University of Economics and Business in Beijing

Investor relations contacts

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