

Business Highlights to Shareholders

15 August 2022

Value Partners Group Limited - Interim Results 2022

Value Partners Group Limited, one of Asia's leading independent asset management firms, announced interim results last week. Against a backdrop of a difficult market environment, the first half of 2022 continued to be challenging for the Group, with global markets broadly under pressure, including China and Asia.

Despite the challenging period, we remain highly positive about the mid-to-long term prospects of the Company. We are committed to developing our business and strengthening our franchise, with specific growth plans and initiatives to extend our client reach.

There are three key industry macro trends that remain favorable to our business, and we are encouraged by these long-term trends. First, the growth potential of the wealth management market in Asia is expected to continue to be very strong in the coming years, reaching US\$15-19 trillion in 2025¹. This provides significant business opportunities to Value Partners as wealth management is one of our focus client segments. Besides, we also see strong and increasing demand from global investors to invest in China, given the growing size and importance of this asset class. As a pioneer in China investing, Value Partners is well-positioned to capture the resultant growth opportunities. The third growth driver is ESG. ESG has become a key structural trend in the industry. ESG-mandated assets used to constitute only around less than 30% of all professionally managed assets globally in 2014. It is projected to rise to more than half, to 58%, by 2024². As a leader in Greater China ESG investing, we believe we could capitalize on this growth trend significantly.

Lastly, China remains a significant strategic focus of Value Partners. We have been investing in the Greater China markets for nearly three decades, and we have 13 years of history operating in Mainland China. We continue to invest in our onshore China business with a view to obtaining the relevant operating license to conduct a full comprehensive fund management business in mainland China.

In terms of Value Partners' shareholding structure, as of 12 August 2022, our substantial shareholders include Dato' Seri Cheah Cheng Hye (our Co-Founder, Co-Chairman and Co-Chief Investment Officer, also the largest shareholder of Value Partners, holding 25.28% of the Group's shares) and Mr. V-nee Yeh (our Co-Founder, the second largest shareholder of Value Partners, holding 16.26% of the Group's shares). Other Directors of the Group collectively held 2.61% of Value Partners' shares. Furthermore, none of our Board of Directors have reduced any of their shares in Value Partners Group in the past three years³. This reflects the confidence of our Directors in the Group's long-term business prospects. Our leadership and management team is committed to the future growth and success of Value Partners as a world-class asset management company rooted in Hong Kong and Greater China.

For more details, please read the Group's [2022 Interim Results Announcement](#) published on 11 August 2022. Thank you for your continued support.

1. *McKinsey Asian Wealth Management Post COVID-19, June 2022.*
2. *Proportion of ESG-mandated data through 2022 from Global Sustainable Investment Alliance; DCFS analysis through 2025; compiled by Deloitte Insights, 2021.*
3. *The decrease in shareholding interests of directors over the past three years as published on the website of the Hong Kong Stock Exchange was due to lapsed share options granted to directors, as the share options were not exercised during their exercise periods and have expired.*