

2025 Interim Results

For the period ended 30 June 2025

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1H 2025 Key Highlights

Financial Performance

- **Net profit** of **HK\$252mn**, a significant improvement from 1H 2024's profit of HK\$37mn, mainly from the gains derived from proprietary investments
- **Performance fees** of **HK\$6mn** was captured
- Disciplined cost control with **total fixed expense decreasing by 4% yoy**
- **Strong balance sheet** with cash of **HK\$1.5bn** and house investments of **HK\$2.3bn**

Business and Strategy Updates

- Continued **strengthening of sales & marketing channels**
- Progress in **asset class and product themes** expansion
- Capturing opportunities from the **Asia-Pacific region** and **Cross-border connect schemes**

Financial Review

Financial Highlights

Summary of 1H 2025 result:

- 1H 2025 results continue to be impacted by headwinds from ongoing global uncertainties characterized by geopolitical tensions and renewed US tariffs
- Despite the challenging environment, the Group is able to report a net profit of HK\$251.6 million, compared with a net profit of HK\$37.4 million for 1H 2024. The significantly improved result was mainly driven by investment gains from our proprietary investments
- Our AUM increased from US\$5.1 billion as of 31 Dec 2024 to US\$5.3 billion as of 30 Jun 2025, given the strong momentum of gross subscriptions during 1H2025 and remarkable performance of our equity, multi-assets funds, and Value Gold ETF

		1H 2025 (Unaudited) (HK\$ million)	1H 2024 (Unaudited) (HK\$ million)	% Change
Revenue	Total revenue	220.8	235.7	-6.3%
	Gross management fees	185.6	200.8	-7.6%
	Gross performance fees	5.8	9.7	-40.2%
Cost	Total fixed operating expenses	141.0	146.6	-3.8%
Earnings	Operating (loss)/profit before other gains ¹	(19.7)	0.6	
	Net profit	251.6	37.4	+572.7%
	Basic earnings per share (HK cents)	13.8	2.0	+590.0%
	Return on equity (%)	6.8	1.1	
Dividend	Total dividend per share (HK cents)	Nil	Nil	

(US\$ million)		30 Jun 2025	31 Dec 2024	30 Jun 2024	1 Jan 2024
AUM	Assets under management	5,290	5,110	5,402	5,570

1. The operating loss before other gains of HK\$19.7 million for 1H 2025 reflected the inclusion of an estimated bonus provision of HK\$32.3 million, whereas no such bonus provision was made in 1H 2024.
Source: Value Partners, for the periods ended 30 Jun 2025 and 2024

Assets under Management (“AUM”)

Key reasons for AUM increase:

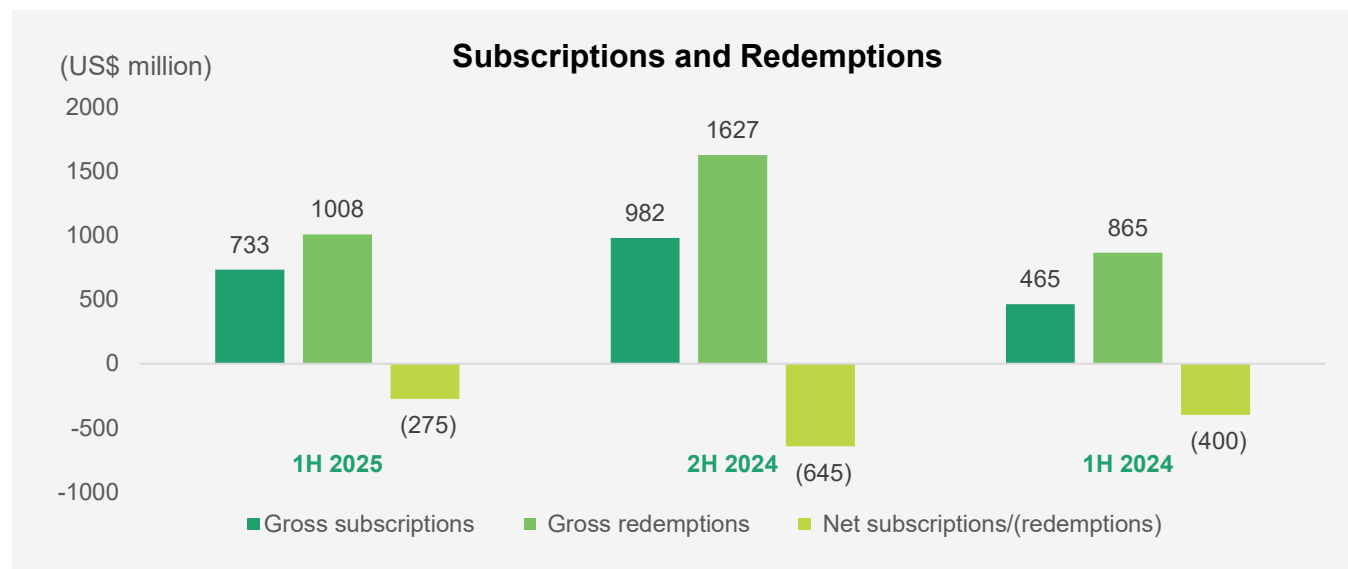
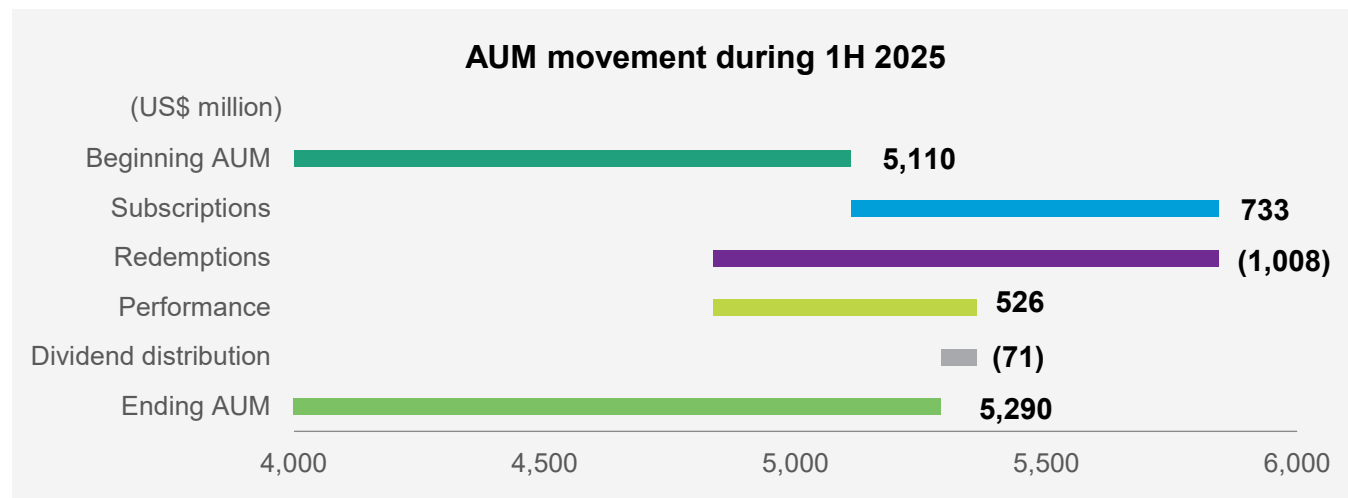
- Positive fund returns of US\$526 million, with double-digit returns from our flagship funds, the Value Partners Classic Fund and the High-Dividend Stocks Fund, the Value Gold ETF and Asian Multi-Asset strategies during 1H 2025

Offset by:

- Net outflow of US\$275 million during 1H 2025, which has been narrowed from US\$645 million in 2H 2024, mainly from some of our HK/China equity strategies and one-off termination of a fixed income mandate

Subscription and Redemption:

- Managed to achieve net inflows in the Value Partners USD Money Market Fund and newly launched healthcare private equity strategy
- During the period, we experienced strong inflows from a Chinese bank into our Value Partners High-Dividend Stocks Fund and Value Partners Asian Income Fund, driven by the stable performance of our income-themed strategies



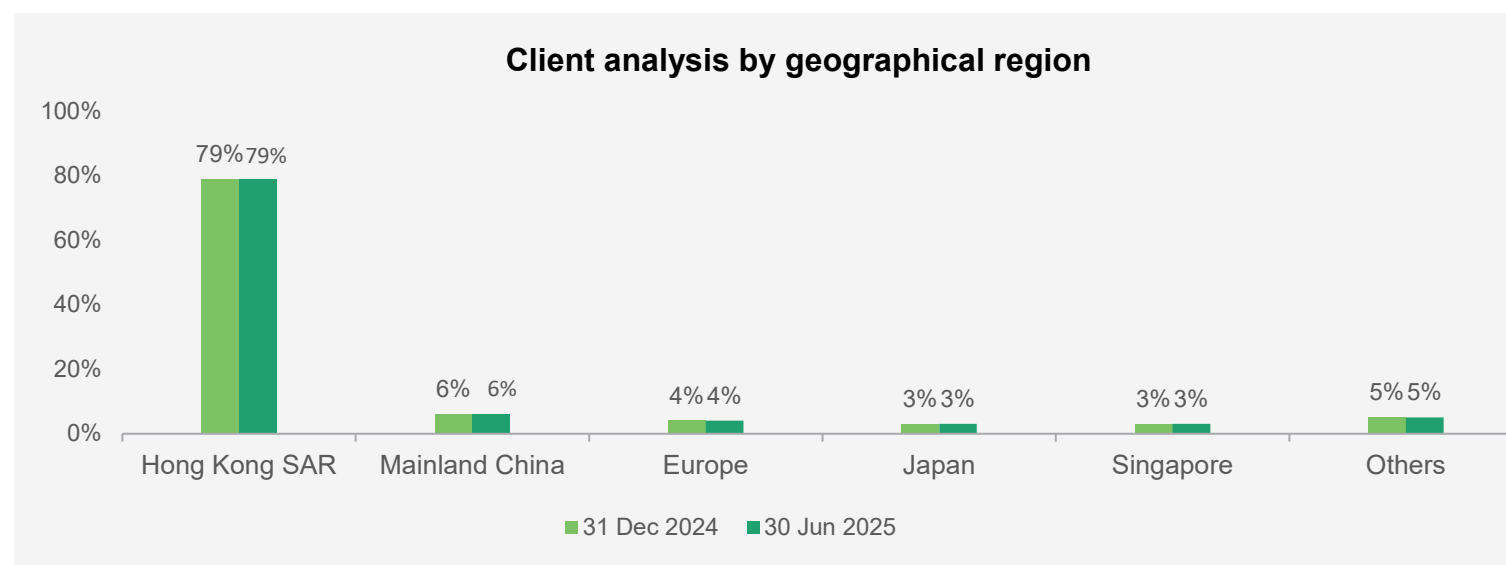
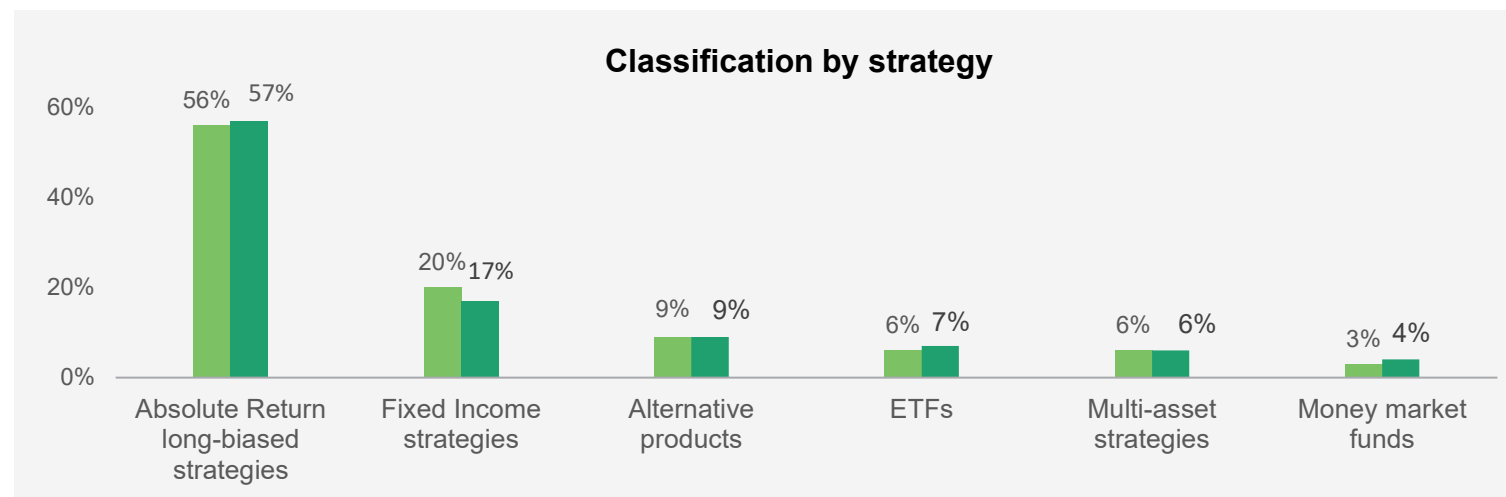
AUM Analysis

AUM by Strategy:

- **Increase in Equity:** slight increase due to the good performance of active equity strategies, offset by fund outflows during 1H 2025
- **Decrease in fixed income:** decreasing AUM of the Greater China High Yield strategies and the one-off termination of a fixed income mandate
- **Increase in the Value Gold ETF¹:** attributable to the rising gold prices with a year-to-date return of 26.6% and an accumulative return of 59.1% since 1 January 2024, marking 2025 as the highest year-to-date return since the fund's inception

AUM by Geography:

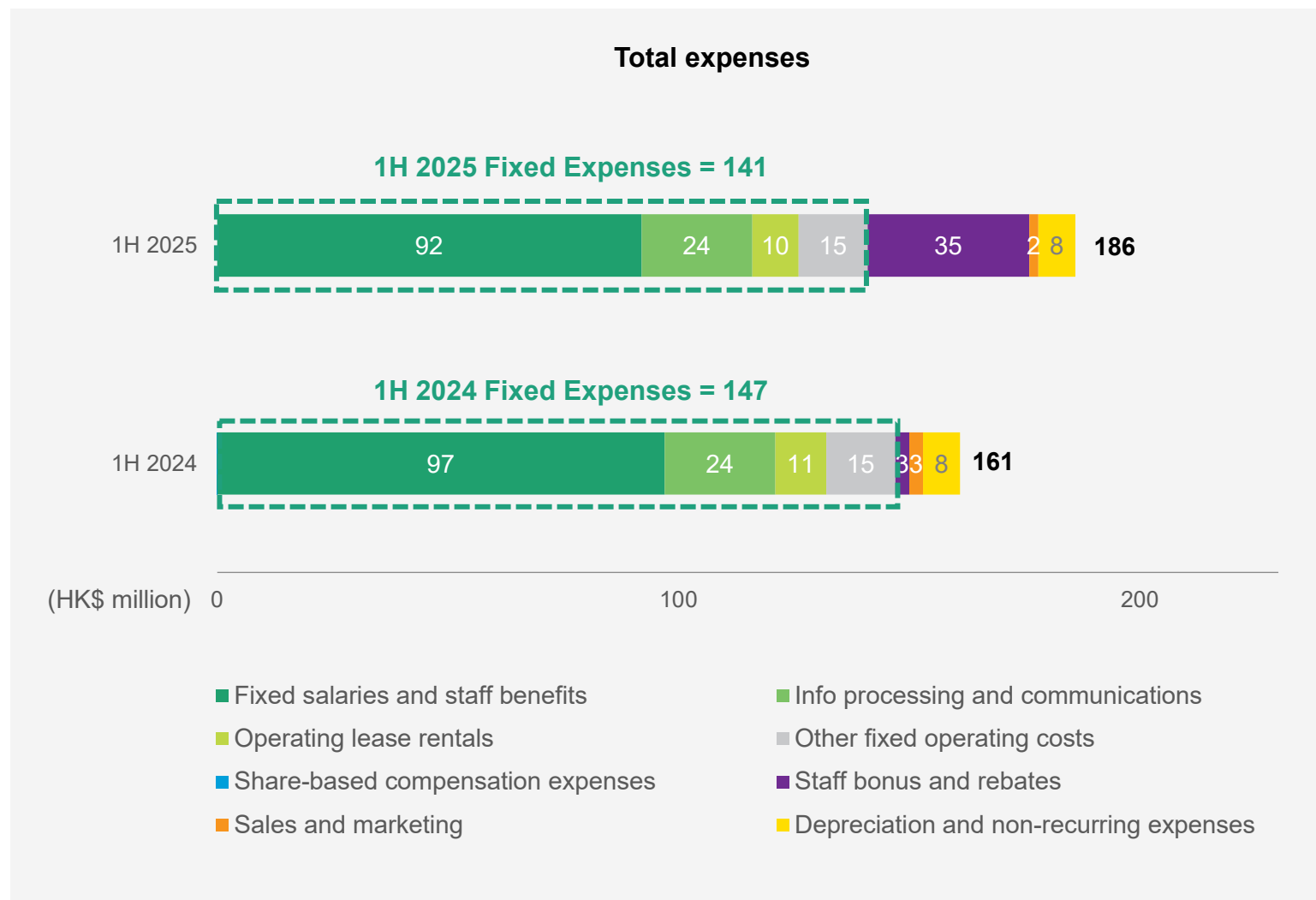
- Hong Kong remains our biggest client segment, followed by Mainland China and Europe



1. Annual calendar returns of Value Gold ETF over the past five years: 2020: +23.1%; 2021: -3.6%; 2022: -0.8%; 2023: +13.5%; 2024: +25.3%; 2025 (Year to date as at 30 Jun): +26.6%.
Source: Value Partners, as at 30 Jun 2025 and 31 Dec 2024

Expense Analysis

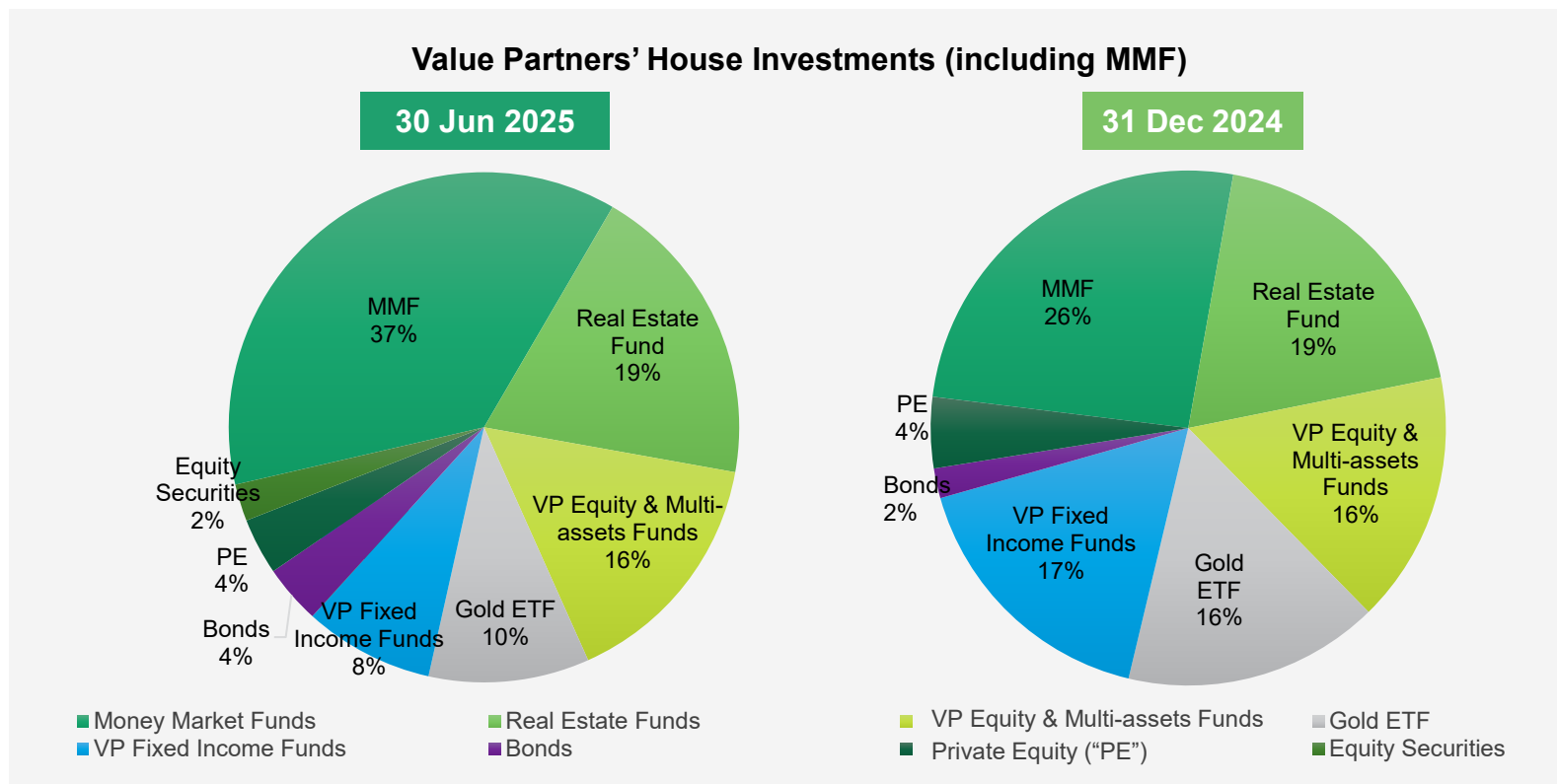
- Total fixed expenses decreased by 4%, mainly reduced staff costs with cost saving on cutting non-core and non-profitable business segments, increased operation efficiency through team restructure, product clean-up with better realignment of staff resources and enhanced operation productivity
- Other fixed expenses remained stable for 1H 2025 compared to the same period of 2024, more cost savings are expected to be reflected in 2H 2025 especially on IT and market data cost with market data cleansing exercise, system enhancement and increased workflow automation
- Continue to exercise stringent cost control while keep investing in key growth areas for our upcoming business opportunities



Strong balance sheet and cash deployment strategy

- Continue to maintain a strong balance sheet with cash-rich position and zero debt
- Continue to deploy cash to seed and incubate new products as we continue our product diversification strategy to meet investors needs
- Starting 2025, adopt a proactive approach to manage house investments, incorporating a more balanced portfolio allocation to low-risk equities and fixed income assets. This strategy aims to optimize capital gains while ensuring adequate liquidity to support business operations

(HK\$ million)	30 Jun 2025 (Unaudited)	31 Dec 2024 (Audited)	31 Dec 2023 (Audited)	31 Dec 2022 (Audited)	31 Dec 2021 (Audited)
Net Assets	3,823	3,560	3,543	4,494	5,265
• Cash	229	255	1,014	1,666	1,666
• Money Market Fund ("MMF")	1,296	822	545	-	-
• Investments	2,263	2,402	2,740	2,666	3,461



Business and Strategy Updates

Value Partners' Key Business Goals



Deepening Cross-Border Connectivity to Fulfil Investors' Needs Across Markets

- We actively participated in and continuously benefited from the deepened connect schemes with our qualified funds
- Further leverage on our distribution partners' strong network in mainland China to offer more cross-border investment products to onshore and offshore clients
- Enhance the penetration of flagship funds in the mainland China through two key frameworks: WMC 2.0 and MRF, to establish a closed-loop cross-border asset management system.



Enhancing Investment Research Capabilities and Diversifying Product Offerings

- Committed to continuously strengthening our investment research capabilities with fundamental bottom-up approach through enhanced technology integration and focused resources on core business
- Embrace AI-driven technology and pioneer investment opportunities emerging from Web 3.0
- Strategically explore virtual asset related offerings, aiming to provide more diverse investment options to investors
- Implement a "spectrum-style" product positioning strategy to restructure current product line in order to ensure each fund features distinct investment styles with differentiated market positioning
- Actively explore passive strategies to supplement current product strategies to meet changing investors' needs



Upholding Value Investing and Delivering Stakeholder Value

- Remain anchored in our core philosophy of value investing, prioritizing client interests through rigorous portfolio optimization and enhanced risk management capabilities
- Continue to invest in our greatest asset—our people—by rewarding employees' contribution through equitable incentive program to build a stronger team for sustainable growth

Value Partners' 3 key strategies



**Business development
and client support**



Product Strategies
and Solutions



Strategic initiatives

Business Development and Client Support

→ Enhancing our client relationships and reach in Hong Kong, mainland China & overseas

→ Empowering clients with suitable products and insights to navigate market volatility



“Super-connector” role

- Strategically position to utilize Hong Kong’s role as a “super-connector” to mainland China through various cross-border schemes that enable international investors to invest in the mainland China and vice-versa, through our strategic partnership with GF and other local distributors, focusing on cross-border schemes such as Mutual Recognition of Funds scheme (“MRF”), Wealth Management Connect scheme 2.0 (“WMC”) and Qualified Domestic Limited Partnership (“QDLP”), etc.
- Due to strong onshore investor interest in MRF products and the potential for future growth, we are in the process of applying new MRF recognition for both multi-asset and fixed income strategy products



Wealth management segments (mass retail and high-net-worth market)

- Leverage the cross-border programs, strengthening our business partnerships with domestic Chinese institutions
- Strengthen relationships with distribution partners by providing suitable investment solutions aligned with the market environment, focusing on lower-risk options and income-generating strategies
- Expanded our distribution network to include more partners and distribution banks, both onshore and offshore. Managed to expand our distribution network to digital banks such as WeLab Bank starting 2025
- Continue building our presence in Southeast Asia, forging strategic partnerships in Singapore, Malaysia, other ASEAN and Taiwan markets, in order to tap into the region’s dynamic growth and delivering long-term value to our clients



Product expansion

- Remain committed to delivering consistent income and growth through high-conviction, income-oriented strategies tailored to the evolving requirements of investors, our suite of Asian income-focused funds also delivered robust results
- Successfully launched closed end healthcare private equity fund and capturing new investor commitment
- Proactively pursue the expansion of ETF portfolio to address the changing requirements of investors and maintain a leading position in market innovation



Ongoing guidance and support to navigate prevailing market environment

- Explore virtual assets and related asset management opportunities, along with recent advancements in Artificial Intelligence (“AI”) tools
- Provided clients with comprehensive insights and commentaries, to help them navigate changing market conditions and identify suitable investments, including income-focused strategies and other asset classes that offer further diversification (e.g. Gold)

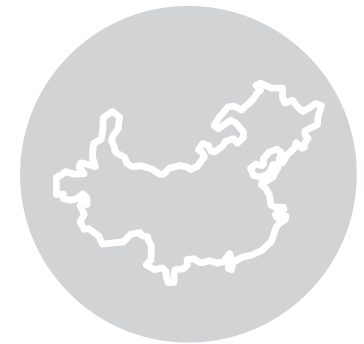
Value Partners' 3 key strategies



Business development
and client support



**Product Strategies
and Solutions**



Strategic initiatives

Delivering High Quality Products & Solutions

- Set different strategies to meet the changing need of institutional clients and retail clients
- Capture new opportunities given the uprise of new business opportunities from cross-border schemes



Institutional

- Expand connections with institutional clients and insurance companies for business opportunities
- Focus to scale existing cross-border products such as QDLP and MRF, to help both onshore and offshore investors capture opportunities brought by regulatory reform in the country
- Create tailored investment grade-focused fixed income and multi-asset solutions for institutional (insurance) clients in the region
- Establish partnerships with alternative investment solution providers to enrich product and solution offerings for institutional clients in the region and abroad
- Explore new markets in Southeast Asia e.g. Singapore, Malaysia, Thailand and Taiwan where the increasing number of high-net-worth individuals is expected to boost demand for quality asset and wealth management services

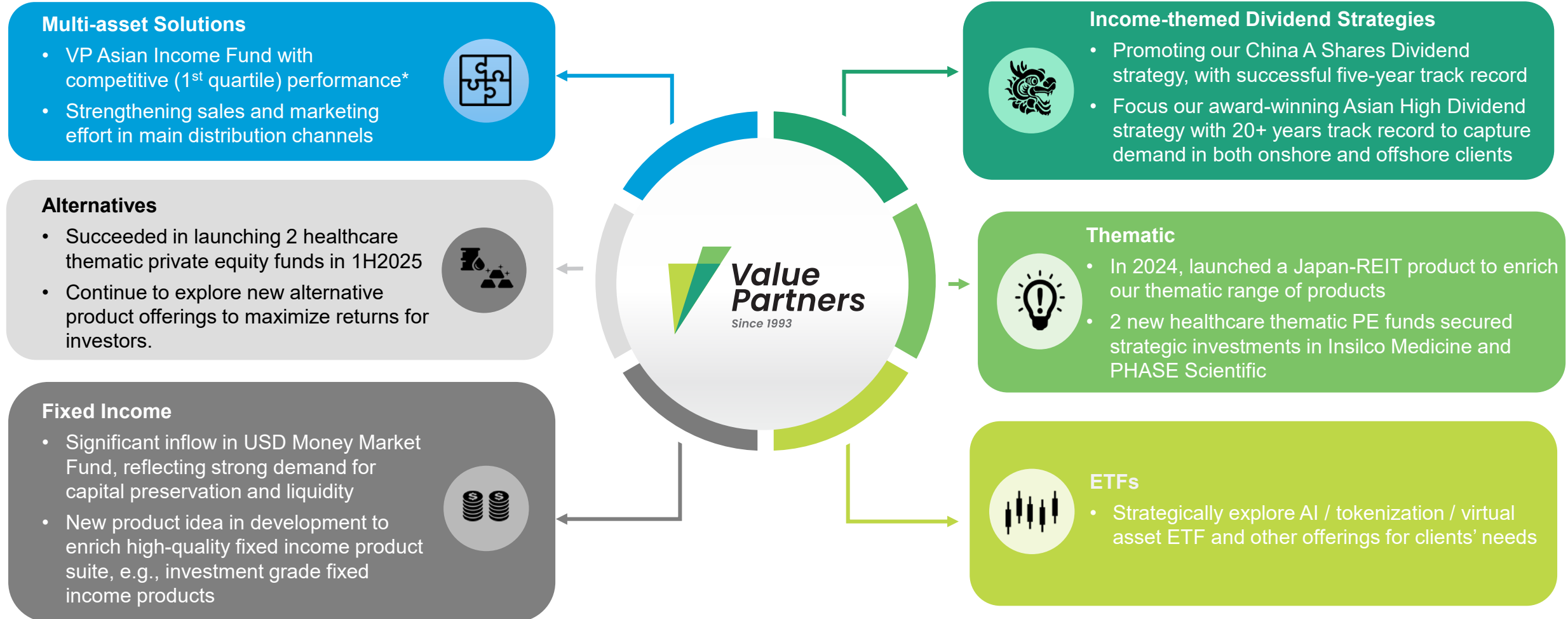


Intermediaries & ETFs

- Maintain strong relationship with local key distributors such as Tier 1 banks and insurance companies etc. to gain more market share and expand onshore distribution capabilities, especially for WMC 2.0 and MRFs
- Established and strengthened partnerships with digital bank like WeLab Bank starting 2025
- Focus on promoting our income-oriented solutions, including money market, fixed income (Asian Total Return Bond), multi-asset (Asian Income) equities (High Dividend Equities) and innovative-thematic strategy (Japan REITs)
- Continue to grow our unique Gold ETF strategies with intermediaries
- Strategically explore ETF offerings given the changing asset management landscape with AI and technology advancement

Diversification and Growth from Product Suite Expansion

- Focus on our income series and suitably expand alternatives and thematic solutions
- Continued efforts in product development and innovation to cater to investors' evolving needs



Value Partners' 3 key strategies



Business development
and client support



Product strategies
and solutions



Strategic initiatives

Strategic Initiatives Development

- Leverage strategic partnerships to capture a larger share of the region's "wealth pie"
- Take advantage of Hong Kong's "super-connector" status in the region

Leverage strategic partnerships



- **GF Securities**
(strategic shareholder since 2023)
– collaboration with GF to expand business potential and tap into larger customer base (e.g., broaden MRF channels, private fund management ("PFM"), and wealth segments in China)
- **Daiwa Asset Management** – execution of a Memorandum of Understanding ("MOU") with Daiwa in November 2024. This strategic partnership is designed to enhance collaboration in asset management, merging our expertise in the Asian market

Capture opportunities from cross-border franchises and new onshore policy developments



- Continuous onshore investor interest in MRF products and the potential for future growth, we are in the process of applying for MRF recognition for both multi-asset and fixed income strategies
- We continue to capitalize on the other cross-border programs, strengthening our partnerships with domestic Chinese institutions. Apart from intensifying collaboration with onshore insurers to co-develop bespoke investment solutions
- We continue having our presence in Southeast Asia, forging strategic partnerships in Singapore, Malaysia, other ASEAN and Taiwan markets, these allow us to tap into the region's dynamic growth and delivering long-term value to our clients

Fund Selector Asia, Singapore - Fund Awards Singapore 2025

Value Partners China A Shares High Dividend Fund
Gold Award | Greater China/China Equity

2025

China Fund News - Ying Hua Awards
Exemplary Foreign Private Equity Institution

2024

Bloomberg Businessweek (Chinese Edition) - Top Funds 2024

- Value Partners Asian Income Fund: Best Performer | Mutual Funds (5 years) – Asia Allocation
- Value Gold ETF: Outstanding Performer | ETFs (Total Return 1 year) – Commodity – Gold

2025


China Securities Journal | The 8th Golden Bull Overseas Award

Value Partners High-Dividend Stocks Fund:
One Year Golden Bull Overseas China Equity Fund

2024

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