

Important Information

- I. 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.
- II. 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.
- III. 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.
- IV. 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.
- V. Investment in fixed income securities may include contingent convertible bonds whose structure is innovative and untested. These instruments may be subject to conversion risk.
- VI. 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.
- VII. You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Q4 2023



★★★★★
Morningstar Rating™

Multiple currency
distribution classes

HKD, USD, AUD,
NZD, CAD & RMB

Value Partners Asian Income Fund

Leading your way to Asian growth and income

Achieving lower volatility while generating **attractive returns**

Exhibiting a **better risk-return profile** relative to the broad market and its peers²

Attractive and sustainable income with a **payout of 6.1%**³

(Dividend is not guaranteed and may be paid out of the capital of the Fund. Please refer to Important Information VI.)

All indices are for reference only. 1. © Morningstar. All Rights Reserved. Morningstar Rating™ as of 29 Sep 2023. 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. 2. Peer group refers to the Morningstar Category of Asia Allocation (HKSF). 3. Refers to Class A USD MDIs. Source: Value Partners, as of 29 Sep 2023. Annualised yield 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. 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.



Investment objective and strategy

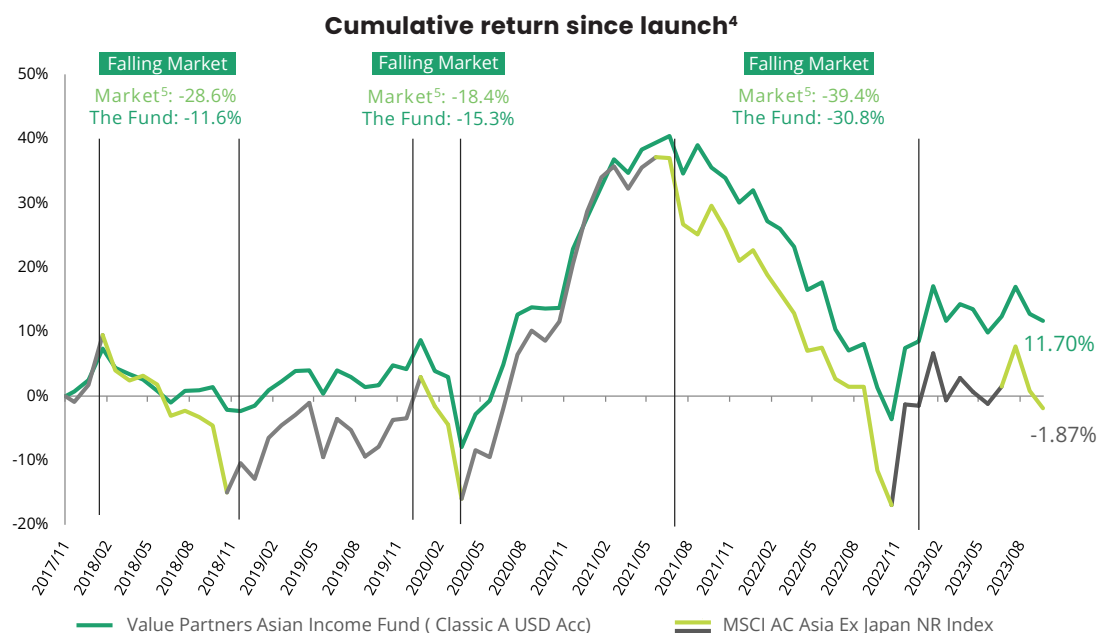
The Fund aims to maximize return and income by investing in Asian equities, Asian fixed income securities and other assets relating to Asian companies that are listed in Asia, or have registered offices in Asia or generate a predominant share of their sales and/or their profits in Asia. The Fund also aims to achieve lower portfolio volatility by actively screening and selecting a combination of lower volatility equities and fixed income securities.



Why invest in Value Partners Asian Income Fund?

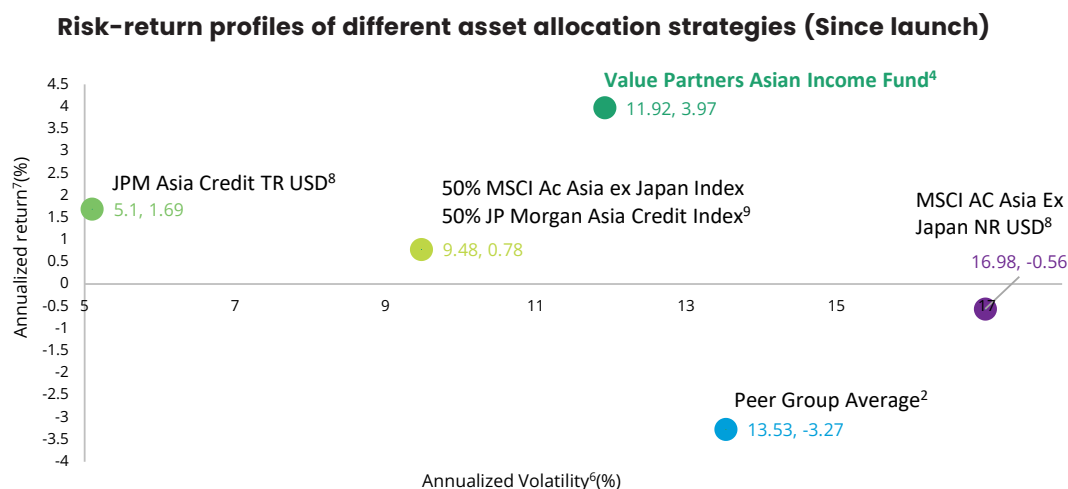
Achieving lower volatility while generating attractive returns

- The Fund aims to reduce the impact of market volatility in the equities market arising from uncertainties and generate attractive returns through a diversified portfolio of Asian assets, including equities and bonds. With the Fund's dynamic approach to asset, market, and sector allocation, investors are able to navigate the volatile environment with a smoother ride



Exhibiting a better risk-return profile relative to the broad market and its peers²

- Since its launch, the Fund has delivered stronger risk-adjusted returns than both the Asian equity and credit markets as well as its peers², demonstrating our strong ability to generate returns and manage risks



4. The Fund (Class A Acc USD) was launched on 13 November 2017. Calendar year returns of Value Partners Asian Income Fund (Class A Acc USD): 2018:-3.9% ; 2019 : +10.4% ; 2020: +17.6%; 2021: +3.3%; 2022: -17.8%; 2023 (YTD): +2.9%. 5. Market is represented by MSCI AC Asia Ex Japan NR Index. 6. The annualized volatility is calculated from the date of fund's inception. The volatility is a measure of the theoretical risk based on the standard deviation, based on monthly return. The smaller the value, the lower the risk; and vice versa. 7. Annualized return is calculated from inception based on published NAV. 8. Performance history is from 1 April 2018 to 29 Sep 2023. 9. Reference benchmark of the Fund since the Fund's inception.



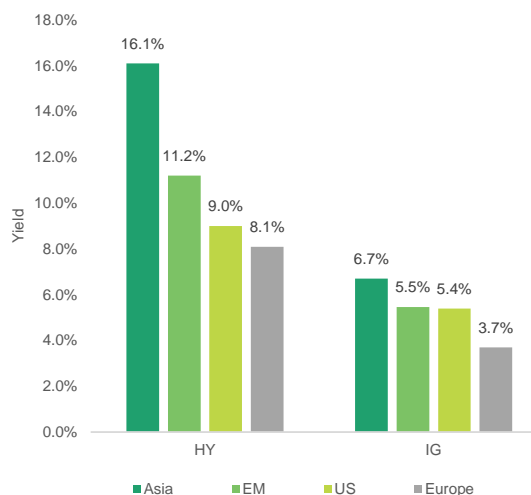
Key investment themes of the Fund

Attractive and sustainable income with a payout of 6.1%³ (USD share class)

(Dividend is not guaranteed and may be paid out of the capital of the Fund. Please refer to Important Information VI.)

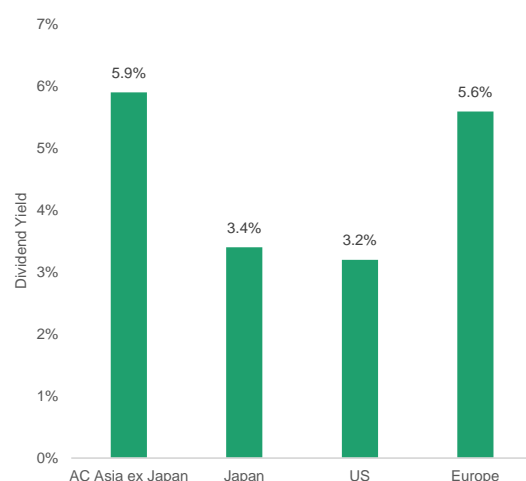
- Asian credit remains one of the major asset classes offering the highest yield, while REITs, infrastructure, and the banking sectors in the equities market also offer attractive dividends. These assets provide a stable source of income for the portfolio to support its attractive payout
- The latest payout of the USD share class of the Fund is above 6%³, supported by healthy cash flows generated from dividends and coupons of a diversified portfolio of Asian equities and bonds of companies with quality businesses, strong management teams, and attractive valuations

Yield of HY and IG bonds across different markets



Source: Bloomberg, as of September 2023

Dividend yield of equities across different markets



Source: MSCI, as of September 2023

A flexible approach to capture various opportunities

- Asia is expected to contribute more than 70% of global growth this year*. With its flexible approach to investing, the Fund is able to capture unique opportunities in various areas, including prospects driven by long-term drivers and tactical opportunities arising from cyclical trends

Growth Opportunities

Semiconductors and Technology



China Consumption



Telecommunication



Diversification & Risk Management



Gold & Mining



Asian Investment Grade Bonds



Sovereign bonds



* The International Monetary Fund's upgraded outlook, April 2023

Source: FactSet, MSCI, Value Partners, as of September 2023



Awards & Accolades

The Fund was selected as the “Top Fund – Asia Allocation” (Hong Kong and Singapore) in the 2021 Benchmark Fund of the Year Awards. Value Partners is also recognized as Asian Private Banker’s Best Fund Provider – Multi Asset Solution in 2022.



Best Fund Provider Multi-Asset Solution¹⁰

2022 Asian Private Banker
Asset Management
Awards for Excellence



Top Fund - Asia Allocation (Hong Kong & Singapore) Best-in-class¹¹

Benchmark Fund of
the Year Awards 2021



**Explore the
Value Partners
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fund information[^]
and market updates!

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[^] Fund information refers to Value Partners’ funds authorized by the Securities and Futures Commission of Hong Kong. Authorization does not imply official recommendation.

10. The assessment of each award category is based on weighted criteria (covering product performance, asset gathering, service competency/quality and fund selector feedback) as defined by Asian Private Banker. **11.** Benchmark’s top Mutual Funds are selected based purely on quantitative data in its BlueOnion fund database. The subset awards strategies who have demonstrated medium-to-long-term tangible outcomes without subjecting the investors to unnecessary risks.

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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 material has not been reviewed by the Monetary Authority of Singapore.

www.valuepartners-group.com

Hong Kong: +852 2143 0688 | Singapore: +65 6718 0380

Value Partners Fund Series

Value Partners Asian Income Fund



NAV per unit: Class A USD Unhedged Acc - USD11.67 | Class A USD Unhedged MDis - USD8.48

Fund size : USD236.5 million



Morningstar Rating™
As at 31-01-2024

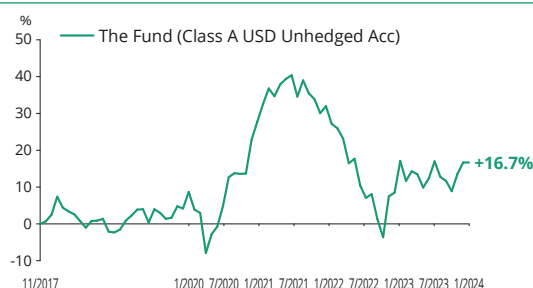
January 2024

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- 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.
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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 Unhedged Acc)
Year-to-date	+0.0%
One month	+0.0%
One year	-0.3%
Three years	-12.0%
Five years	+15.7%
Total return since launch	+16.7%
Annualized return since launch ^	+2.5%

NAV's & codes

Classes ¹	NAV	ISIN	Bloomberg
Class A USD Unhedged Acc	11.67	HK0000352374	VPUSUAU HK
Class A AUD Hedged MDis	7.85	HK0000352259	VPAAHMU HK
Class A CAD Hedged MDis	8.13	HK0000352267	VPACHMU HK
Class A HKD Unhedged MDis	8.51	HK0000352291	VPAHUMU HK
Class A NZD Hedged MDis	8.01	HK0000352309	VPANHMU HK
Class A RMB Hedged MDis	8.27	HK0000352317	VPARHMU HK
Class A RMB Unhedged MDis	9.30	HK0000352325	VPARUMU HK
Class A USD Unhedged MDis	8.48	HK0000352382	VPAUHMU HK
Class A HKD Unhedged Acc	11.72	HK0000352283	VPAHUAU HK

The Fund - Class A USD Unhedged Acc: Monthly performance from 13 Nov 2017 to 31 Jan 2024

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	+3.8%	+3.2%	-1.5%	+2.7%	+0.8%	+0.7%	-4.1%	+3.3%	-2.5%	-1.2%	-2.8%	+1.5%	+3.3%
2022	-3.6%	-0.9%	-2.2%	-5.4%	+1.0%	-6.2%	-3.0%	+0.9%	-6.3%	-4.8%	+11.5%	+0.9%	-17.8%
2023	+7.9%	-4.6%	+2.3%	-0.7%	-3.2%	+2.3%	+4.1%	-3.6%	-1.0%	-2.5%	+4.3%	+2.7%	+7.6%
2024 (YTD)	+0.0%												+0.0%

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

Dividend information - Class MDis²

Classes ¹	Dividend amount / unit	Annualized yield	Ex-dividend date
Class A AUD Hedged MDis	0.0328	5.0%	31-1-2024
Class A CAD Hedged MDis	0.0373	5.5%	31-1-2024
Class A HKD Unhedged MDis	0.0425	6.0%	31-1-2024
Class A NZD Hedged MDis	0.0401	6.0%	31-1-2024
Class A RMB Hedged MDis	0.0206	3.0%	31-1-2024
Class A RMB Unhedged MDis	0.0231	3.0%	31-1-2024
Class A USD Unhedged MDis	0.0423	6.0%	31-1-2024

Top holdings - equities³

Holdings	Industry ⁴	Country / region	%
Alchip Technologies Ltd	Semiconductors & semiconductor equipment	Taiwan	5.3
Taiwan Semiconductor Manufacturing Co Ltd	Semiconductors & semiconductor equipment	Taiwan	4.7
ICICI Bank Ltd	Banks	United States	1.8
SK Hynix Inc	Semiconductors & semiconductor equipment	South Korea	1.7
China Telecom Corp Ltd	Communication services	Hong Kong	1.6

Top holdings - fixed income³

Holdings	Sector ⁴	Country / region	%
eHi Car Services Ltd 7.75% 11/14/2024	Industrials	China	1.6
China Hongqiao Group Ltd 6.25% 06/08/2024	Materials	China	1.3
Fortune Star (BVI) Ltd 5% 05/18/2026	Industrials	China	1.2
eHi Car Services Ltd 7% 09/21/2026	Industrials	China	1.0
Santos Finance Ltd 5.25% 03/13/2029	Energy	Australia	0.9

Portfolio characteristics

As at 31 Jan 2024

Portfolio yield ⁵	5.9%
The Fund (Class A USD Unhedged Acc)	
Annualized volatility (3 years) ⁶	13.4%

Asset type by geography (%) ³

	Equities	Fixed Income	Total
Taiwan	14.8	-	14.8
China	-	13.5	13.5
Hong Kong	7.3	4.3	11.6
Japan	7.1	3.5	10.6
H-shares	9.2	-	9.2
South Korea	4.0	3.8	7.8
Australia	1.7	4.5	6.2
Singapore	5.8	0.3	6.1
Indonesia	2.1	3.1	5.2
United States	3.1	0.7	3.8
India	0.8	2.6	3.4
Red Chips	3.3	-	3.3
Philippines	0.3	0.8	1.1
Macao	-	0.9	0.9
Malaysia	0.3	0.6	0.9
Saudi Arabia	-	0.6	0.6
Thailand	0.2	0.4	0.6
China A-shares	0.5	-	0.5
Ireland	-	0.2	0.2
Middle East	-	0.2	0.2
Cash ⁷	-	-	-0.5
Total	60.5	40.0	100.0

Asset type by sector (%) ⁴

	Equities	Fixed Income	Total
Financials	10.3	12.3	22.6
Information technology	19.5	1.7	21.2
Industrials	4.6	6.8	11.4
Real estate	6.9	4.2	11.1
Consumer discretionary	4.3	3.5	7.8
Energy	3.6	2.8	6.4
Communication services	5.6	0.7	6.3
Utilities	2.2	3.2	5.4
Materials	2.3	2.6	4.9
Consumer staples	0.8	0.5	1.3
Sovereign	-	1.3	1.3
Health care	0.4	0.4	0.8
Cash ⁷	-	-	-0.5
Total	60.5	40.0	100.0

Credit ratings of fixed income ⁸

AA	2.1%	Investment grade	22.6%
A	8.4%	High yield	15.3%
BBB	12.1%	Average credit rating ¹⁰	BBB
BB	7.9%		
B & Below	7.4%		
Non-rated ⁹	2.1%		

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

Dealing frequency: Daily

Fee structure & Subscription information (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	

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Deputy Chief Investment Officer, Equities: Yu Chen Jun

Senior Investment Directors: Norman Ho, CFA; Renee Hung

Chief Investment Officer, Multi Assets: Kelly Chung, CFA

Co-Chief Investment Officer, Fixed Income: Sean Chang;

Gordon Ip, CFA

Investment Directors: Lillian Cao; Luo Jing, CFA; Michelle Yu, CFA

Senior Fund Managers: Danielle Li, Frank Tsui

Fund Manager: Willie Wu

Key fund and corporate awards

Best Fund Provider - Multi-Asset Solution ¹¹

~ 2022 Asian Private Banker Asset Management Awards for Excellence

Top Fund - Asia Allocation (Hong Kong & Singapore) (Best-in-class) ¹²

~ Benchmark Fund of the Year Awards 2021

Scan QR code¹³:

Fund documents

Fund notices

Source: Value Partners, HSBC Institutional Trust Services (Asia) Limited, FactSet 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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