
【 For Immediate Release 】

Value Partners builds own-branded fund business in China

Value Partners wins QDLP license to expand cross-border private fund business in China

Value Partners' application for Mutual Recognition of Funds accepted by CSRC

(Hong Kong, 22 October 2015) — Value Partners Group Limited (together with its subsidiaries, “Value Partners” or “the Group”, SEHK: 806) today announced its latest strategy to roll out its own-branded cross-border private funds in China’s domestic fund market, a priority market that is fueling the growth of Value Partners.

The first QDLP license for Hong Kong fund management company

With China opening its private fund market for foreign participation, Value Partners is pleased to announce Value Partners Fund Management (Shanghai) Limited, the Group’s wholly foreign-owned enterprise (“WFOE”) in Shanghai, has obtained a Qualified Domestic Limited Partner (“QDLP”) license from the Shanghai Municipal Government Financial Services Office and an initial US\$100 million QDLP quota to manage cross-border private funds. With the license, Value Partners seeks to offer more overseas investment opportunities and world-class investment advice, as well as launching its own-branded funds, through its WFOE platform, directly tapping the fast-growing pool of assets of institutional investors and high-net-worth individuals (“HNWIs”) in mainland China.

“Value Partners feels deeply honoured to be the first Hong Kong fund manager receiving a QDLP license, establishing a milestone in Hong Kong’s asset management industry. As a leading Asian asset manager with 22 years of China investing experience, Value Partners will leverage its widely recognized investment excellence and strong understanding of local Chinese demand to deliver a suite of world-class products for domestic investors on the mainland,” said **Mr. Timothy TSE, Chief Executive Officer of Value Partners.**

Currently, the vast majority (99.4%) of Chinese households’ assets are held in RMB with only 0.6% denominated in foreign currencies¹. In the wake of the recent stockmarket rout and the depreciation in Renminbi (“RMB”), Chinese investors are seeing an increasing need to diversify their portfolios and explore opportunities in overseas investments. Value Partners is preparing to launch its first QDLP fund before the end of the year. The QDLP fund will appeal to yield-chasing investors who look to diversify their investments across Asia.

Mutual Recognition of Funds

In addition to tapping institutional investors and HNWIs via QDLP scheme, Value Partners has also submitted the application to take part in the Mainland-Hong Kong Mutual Recognition of Funds (“MRF”) program. The MRF application has been accepted by China Securities Regulatory Commission, extending the Group’s reach in China to retail investors.

“China is a strategic component of Value Partners’ business plan. In view of the evolving changes in China’s asset management industry, we have been constantly reviewing our expansion strategy in China to capture opportunities arisen from new policies and relaxations,” said **Mr. TSE**. “With China’s pledge to allow foreign fund managers tapping its private fund market via WFOEs in the future, running a WFOE structure has become one of the top priorities which will facilitate the launch of our own-branded funds in China.”

The sale of 49% stake in Goldstate Capital joint venture

Value Partners Hong Kong Limited, a wholly owned subsidiary of the Group, announced today it has entered into an agreement to dispose its 49% equity interests in Goldstate Capital Fund Management Co., Ltd.² to a company under Yunnan Jiutian Investment Enterprises Ltd. for a consideration of RMB45 million.

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Value Partners has been investing in China for 22 years, being one of the longest standing fund managers in Asia with a Greater China focus. The Group established its investment capability in China back in 1993 when it launched its flagship fund – Value Partners Classic Fund. Since then, the Group has become a widely recognized fund manager winning over 100 awards.

In 2009, Value Partners began building up its local presence in China with an investment research team set up in Shanghai. Two years later, the Group established its WFOE in Shanghai, followed by the opening of an office in Beijing in 2013. Looking forward, Value Partners seeks to offer more overseas investment opportunities and world-class investment advice to institutional investors and HNWIs.

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1. Source: Macquarie Securities. Data as of 30 September 2015.
 2. Formerly known as Value Partners Goldstate Fund Management Co., Ltd.

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About Value Partners Group Limited

Value Partners is one of Asia's largest independent asset management firms that seeks to offer world class investment services and products. Assets under management of the firm increased to US\$14.5 billion as of 30 September 2015. Since its establishment in 1993, the firm has been a dedicated value investor in Asia and the world. In November 2007, Value Partners Group became the first asset management firm listed on the Main Board of the Hong Kong Stock Exchange (Stock code: 806 HK). In addition to its Hong Kong headquarters, the Group operates in Shanghai, Beijing, Taiwan, Singapore and Chengdu. Value Partners manages absolute return long-biased funds, long-short hedge funds, fixed income products, exchange-traded funds, as well as quantitative funds, for institutional and individual clients in Asia Pacific, Europe and the United States.

For more information, please visit www.valuepartners.com.hk.

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