

## Important Information

- I. Value Partners High-Dividend Stocks Fund (The "Fund") primarily invests in higher yielding debt and equity securities in the Asian region.
- II. The Fund may invest in higher-yielding debt and equity securities that are below investment grade. Such investments can involve greater risks due to the speculative nature.
- III. The Fund may invest in China and other markets of the Asian region, therefore is subject to emerging market risks. Generally, investments in emerging markets are more volatile than investments in developed markets due to additional risks relating to political, social, economic and regulatory uncertainty. The value of the Fund can be extremely volatile and could go down substantially within a short period of time. It is possible that the entire value of your investment could be lost.
- IV. The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk, and may expose the Fund to significant losses.
- V. 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.
- VI. You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Q2 2024



# Value Partners High-Dividend Stocks Fund

Over 20 years of outstanding track record



**Ranked No.1** in the Asia ex-Japan Equity Fund category<sup>2</sup>

**A proven flexible high-dividend equity strategy** that rides through different market cycles

Targets to provide monthly income: **6.1% p.a.**<sup>3</sup>

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

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## Investment objective and strategy

The Fund aims to provide capital appreciation to unitholders by investing primarily in a portfolio of relatively higher yielding debt and equity securities in Asian region.

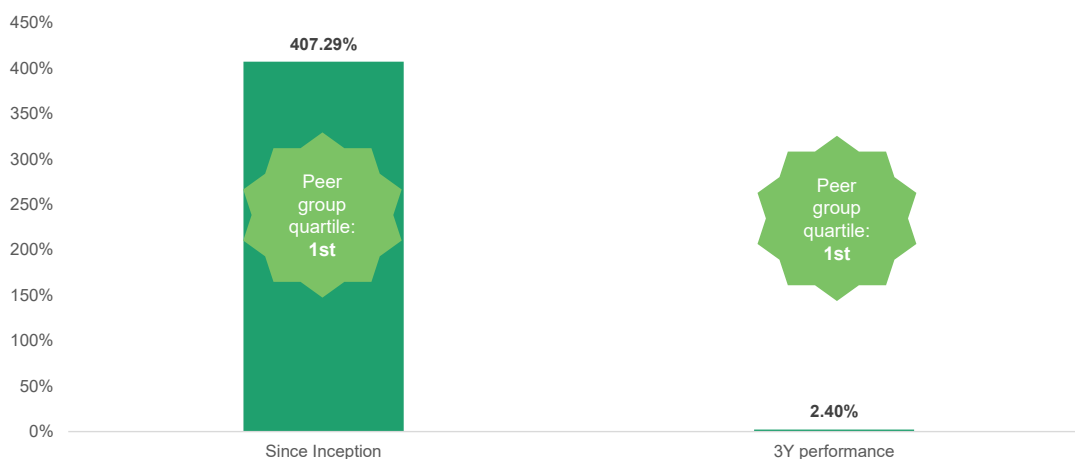
Without fixed geographical or sectoral weightings, the Fund invests in high income investments and can also flexibly allocate to different asset classes, e.g. commodities, collective investment schemes, derivatives and cash on ancillary basis, according to different market conditions.

## Why invest in Value Partners High-Dividend Stocks Fund?

A proven flexible high-dividend equity strategy that rides through different market cycles

- Dividend income is a core return component when investing in Asia, with over 40% of the total return of Asian stocks coming from dividends since 2002.
- The strategy focuses on companies with financial health, strong earnings growth, and stable cash flow, which can be translated into dividend and growth potential.
- Focuses on bottom-up stock picking, which helps capture capital appreciation opportunities during potential market upturns: the Fund has ranked in the 1st quartile as of end March 2024 when measured in different time periods, according to the Morningstar<sup>2</sup>.

**The Fund's excess returns over the MSCI AC Asia Ex Japan NR index as of end March 2024 (cumulative basis)**



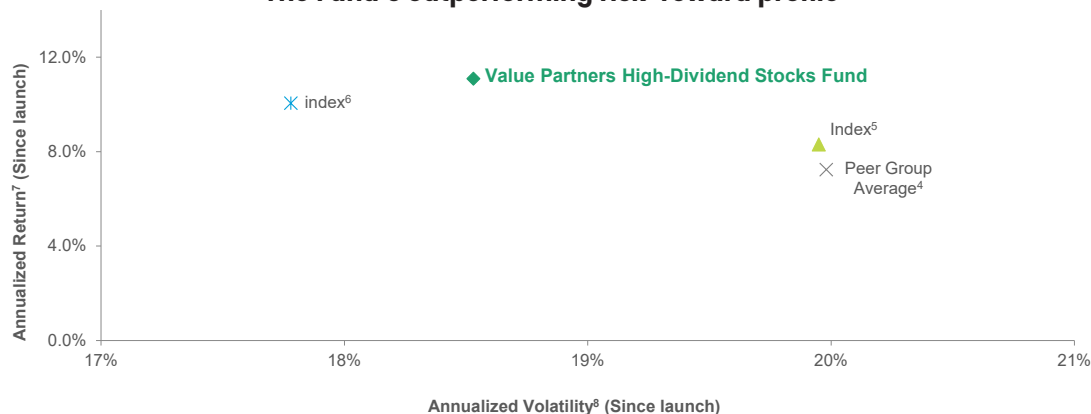
The peer group quartile is based on Morningstar Category of Asia ex-Japan Equity (HKSF) which includes all funds with performance history started between 2 September 2002 and 28 Mar 2024.

Source: FactSet, I/B/E/S, MSCI, Goldman Sachs Global Investment Research, as at 28 Mar 2024

Asia high-dividend strategies are resilient

- Since its inception, the Fund has ranked first in the Asia ex-Japan equity fund category<sup>4</sup>, with its risk-adjusted return leading its peers and several indices.

**The Fund's outperforming risk-reward profile**



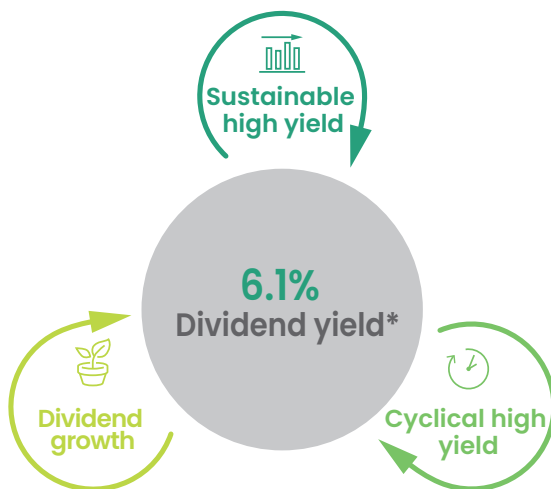
Source: Value Partners, as of 28 Mar 2024. Value Partners High-Dividend Stocks Fund ("the Fund") (Class A1 USD) was launched on 2 September 2002. Fund performance is net of all fees. Calendar year return of Class A1 USD in the past five calendar years: 2019: 14.9%; 2020: 13.9%; 2021: 3.5%; 2022 : -18.9%; 2023: 4.1%; 2024 (YTD): +2.3%.

4. Peer Group Average based on Morningstar Category of Asia ex-Japan Equity (HKSF) which includes all funds with performance history started between 2 September 2002 and 28 Mar 2024. 5. Index refers to MSCI AC Asia Pacific (ex-Japan) Index (Total Net Return) up to 30 April 2016, thereafter it is the MSCI AC Asia (ex-Japan) Index (Total Net Return) due to a change in investment profile. MSCI Total Net Return Indices takes into account of dividend reinvestment after deduction of withholding tax. 6. Index refers to MSCI AC Asia Pacific (ex-Japan) High Dividend Yield Index Total Net Return up to 30 Apr 2016, thereafter it is the MSCI AC Asia (ex-Japan) High Dividend Yield Index Total Net Return. 7. Annualized return and volatility are calculated from inception based on published NAV. 8. Volatility is a measure of the theoretical risk in terms of standard deviation; in general, the lower the number, the less risky the investment, and vice versa.

Targets to provide monthly income: 6.1% p.a.<sup>3</sup>

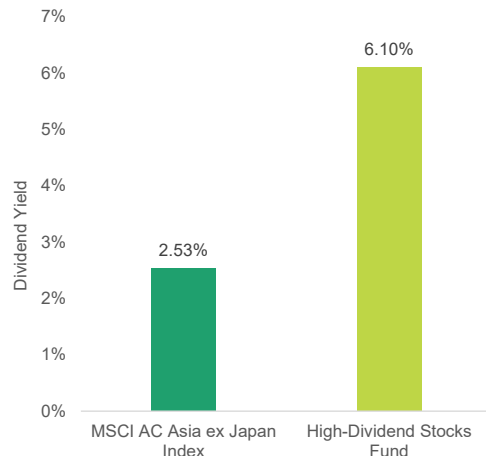
(Dividend is not guaranteed and may be paid out of the capital. Please refer to Important Information V)

- Aims to provide sustainable income on a monthly basis<sup>3</sup>, the Fund allocates to Asian high-dividend stocks between sustainable and cyclical companies.
- The Fund also strategically seeks investment opportunities and captures growth potentials, focusing on stocks with a visible growth trajectory over the next few years.



\*Source: Value Partners annual estimates, as at 28 Mar 2024

**Providing a more attractive yield than the market**

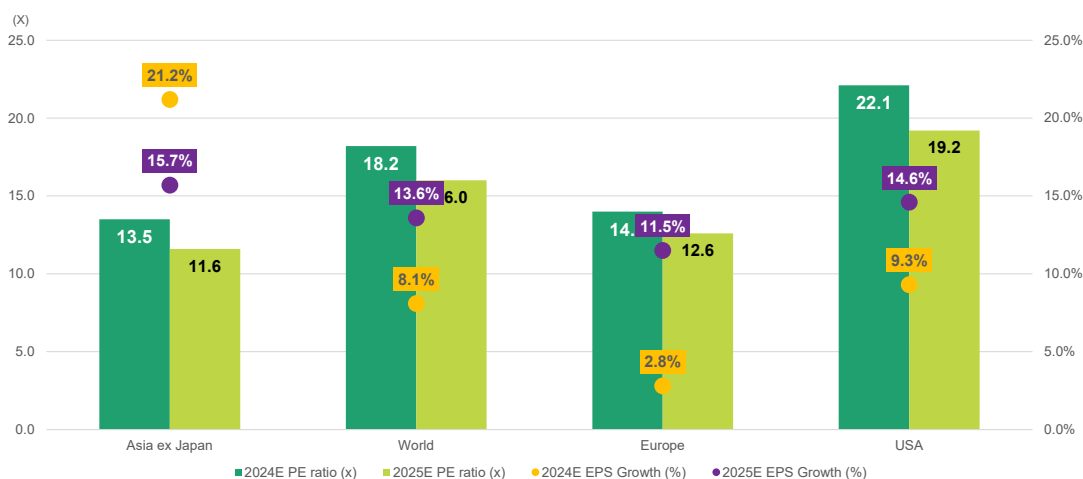


Source: MSCI, as at 28 Mar 2024

Undemanding valuations for long-term investors

- The dividend-focused strategy delivers a resilient performance under different market situations.
- With the rate hike cycle coming to an end, companies that are trading at undemanding valuations with sustainable yields are more appealing.
- Asia equities are trading at a discount to developed markets while maintaining decent earnings growth.

**Asia equities: undemanding valuations with decent earnings growth**



Source: FactSet, I/B/E/S, MSCI, Goldman Sachs Global Investment Research, as at 13 Apr 2024

# Key investment themes of the Fund

Key investment themes

- Seizing opportunities in Asia.



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Access the latest fund information<sup>^</sup> and market updates!

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**For Switzerland investors:** The Fund may only be offered in Switzerland to qualified investors within the meaning of Article 10 CISA.

**Swiss Representative:** FIRST INDEPENDENT FUND SERVICES LTD, Feldeggstrasse 12, CH-8008 Zurich.

**Swiss Paying Agent:** NPB New Private Bank Ltd, Limmatquai 1, CH-8001 Zurich.

The sales prospectus, the Placement Memorandum, the Articles of Association or the Trust Deed as well as the annual and semi-annual reports of the Fund may be obtained free of charge from the Swiss Representative.

In respect of the Shares/Units offered in Switzerland to Qualified Investors, the place of performance is at the registered office of the Swiss Representative. The place of jurisdiction is at the registered office of the Swiss Representative or at the registered office or place of residence of the investor.

The country of domicile of the fund(s) is Hong Kong.

[www.valuepartners-group.com](http://www.valuepartners-group.com)

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