Value Partners
Investing through discipline

PRODUCT KEY FACTS
Chinese Mainland Focus Fund
A sub-fund of Value Partners Intelligent Funds

Issuer: Value Partners Limited **April 2022**

- **This statement provides you with key information about the Chinese Mainland Focus Fund (the "Sub-Fund").**
- **This statement is a part of the offering document.**
- **You should not invest in this product based on this statement alone.**

Quick facts

Manager: Value Partners Limited

QFII Holder: Value Partners Hong Kong Limited

Trustee: HSBC Trustee (Cayman) Limited

Custodian: HSBC Institutional Trust Services (Asia) Limited

QFII Custodian: The Hongkong and Shanghai Banking Corporation Limited

PRC QFII Custodian: HSBC Bank (China) Company Limited

Ongoing charges over a year#:

	Exclusive of performance fees	Inclusive of performance fees
Class A β	1.51%	1.51%
Class A HKD β	1.50%	1.50%
Class A AUD Hedged β	1.48%	1.48%
Class A CAD Hedged β	1.51%	1.51%
Class A GBP Hedged β	1.51%	1.51%
Class A NZD Hedged β	1.51%	1.51%
Class A RMB Hedged##	1.51%	1.51%
Class A SGD Hedged###	1.51%	1.51%

Dealing frequency: Daily (Hong Kong and PRC business days)

Base currency: US dollars (US$)

Dividend policy: Class A Units*: At the Manager's discretion (if any, calculated once a year)

Dividends may be paid out of capital of the relevant class and may result in an immediate reduction of the net asset value ("NAV") per unit of the Sub-Fund.

Where distributions are made, unless unitholders indicate otherwise to the Manager, any such distributions will automatically be reinvested in further units in the Sub-Fund to be issued to such unitholders in proportion to the number of units held by them on the distribution date which will fall on the valuation day which coincides with the last business day of the fourth quarter in each calendar year.

Minimum investment: Class A Units: US$10,000 (or its equivalent in the relevant class currency) initial, US$5,000 (or its equivalent in the relevant class currency) subsequent

Financial year-end of this Sub-Fund: 31 December

#	*The ongoing charges figure is expressed as a percentage of the sum of expenses over the average net asset value ("Net Asset Value" or "NAV") of the class of units for the corresponding period as described below. This figure may vary from year to year. The performance fee to be paid as at year end, where applicable, may vary subject to market conditions. Information is updated as at 28 March 2022.*
β	*This figure is based on the expenses for the year ended 31 December 2021.*
##	*As the class of units was newly set up during the year, the ongoing charges figure is an estimate only and is based on the expenses of Class A with similar fee structure for the year ended 31 December 2021. The actual ongoing charges figure may be different from the estimate and may vary from year to year.*
###	*As the class of units is not launched yet, the ongoing charges figure is an estimate only and this figure is based on the expenses of Class A with similar fee structure over a 12-month period. The actual ongoing charges figure may be different from the estimate and may vary from year to year.*
*	*Class A Units include Class A, Class A HKD, Class A AUD Hedged, Class A CAD Hedged, Class A GBP Hedged, Class A NZD Hedged, Class A RMB Hedged and Class A SGD Hedged.*

What is this product?

The Sub-Fund is a sub-fund of Value Partners Intelligent Funds, which is a unit trust constituted under the laws of the Cayman Islands.

Objectives and Investment Strategy

Objective

The Sub-Fund aims to achieve medium to long-term capital appreciation by investing primarily in investments which are related to mainland China.

Strategy

The Sub-Fund will focus primarily on mainland China and at least 70% of the Sub-Fund's latest available NAV will be on investments related to mainland China at all times. The Sub-Fund may also invest, on an ancillary basis (up to 30% of the Sub-Fund's latest available NAV), in other markets where opportunities can be identified.

The Sub-Fund will be managed based on a value-oriented investment strategy. In doing so, the Manager will invest in assets which are considered to be undervalued, compared to their intrinsic value.

It is the current intention of the Manager that the Sub-Fund invests at least 70% of its latest NAV in equity securities. Also, the Sub-Fund may invest less than 30% of its latest NAV in debt securities. However, the Sub-Fund will not invest more than 10% of its NAV in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, public or local authority) which is below investment grade.

The investment targets of the Sub-Fund may include RMB-denominated corporate and government bonds, listed or unlisted shares issued by companies whose assets and/or revenues are principally denominated in RMB and/or whose costs or liabilities are principally denominated in US dollars. Investment targets may also include A Shares whether directly through the QFII Holder's Qualified Foreign Institutional Investor ("**QFII**") quota and the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively the "**Stock Connects**"), or indirectly through China A Shares Access Products ("**CAAPs**"), B Shares and H Shares. It is the Manager's intention that between 0% and 100% of the Sub-Fund's latest available NAV will be invested in A Shares, and between 0% and 35% in B Shares and between 0% and 100% in H Shares.

The investment targets of the Sub-Fund may also include shares of companies listed in Hong Kong or on stock exchanges elsewhere whose shares may not be denominated in RMB but whose business is closely linked with mainland China (in that they are considered by the Manager to be companies which have the majority of their assets situated in, or the majority of their income derived from operations in, mainland China).

The Sub-Fund does not intend to focus on a particular industry or sector. The Sub-Fund may invest in securities issued by companies of any market size and in such proportions as the Manager deems appropriate.

For indirect exposure to A Shares, the Sub-Fund may do so through CAAPs, being listed or unlisted derivative instruments issued by a third party ("**CAAP Issuer**"), which represents an obligation of the CAAP Issuer to pay to the Sub-Fund an economic return equivalent to holding the underlying A Shares. The Sub- Fund's gross exposure to each CAAP Issuer is limited to 10% of its latest available NAV, and the Sub- Fund's aggregate exposure to CAAPs is limited to 10% of its latest available NAV.

The Sub-Fund may hold cash and other cash-based and fixed income instruments. Under exceptional circumstances (e.g. market crash or major crisis), the Sub-Fund may be invested temporarily up to 100% in liquid assets such as cash, deposits, treasury bills, certificates of deposit, short-term commercial papers for cash flow management. To the extent permitted by the SFC's Code on Unit Trusts and Mutual Funds and the provisions set out in Schedule 1 of the Explanatory Memorandum, the Manager may also, on an ancillary basis, invest less than 30% of its NAV in other fixed income instruments, units in any unit trusts, shares in any mutual fund corporations, or any other collective investment schemes (including those offered by the Manager, its Investment Delegate (as defined in the Explanatory Memorandum) or any of their Connected Persons (as defined in the Explanatory Memorandum).

The Sub-Fund may also utilise FDIs including but not limited to futures, options, swaps (including but not limited to credit and credit-default, equity, interest rate and inflation swaps), forward foreign currency contracts, participation notes, credit linked notes and any other financial derivative instruments, for hedging and/or investment purposes, subject to the limit that the Sub-Fund's net derivative exposure does not exceed 50% of its Net Asset Value. For the purposes of hedging market and currency risks, the Sub- Fund may invest in index and currency swaps.

The Sub-Fund will invest less than 30% of its latest available NAV in collateralized and/or securitized products such as asset backed securities (including asset backed commercial papers) and/or mortgage backed securities for hedging or non-hedging purposes. Also, the Sub-Fund does not intend to engage in sale and repurchase transactions and reverse repurchase transactions. However, the Sub-Fund may enter into securities lending transactions provided that the value of the securities to be loaned, together with the value of all other securities which are the subject of a loan by the Sub-Fund does not exceed 10% of its latest available NAV.

Assets of the Sub-Fund acquired through the QFII Holder's QFII Quota and denominated in RMB are valued with reference to the CNY rate, whereas all other assets denominated in RMB are valued with reference to the CNH rate. Under the current regulations, the rate at which RMB may be exchanged outside the PRC (in the case of Hong Kong, the "**CNH**" rate) may be different from the exchange rate within the PRC (the "**CNY**" rate). Please refer to the offering document for details.

Use of derivatives / Investment in derivatives

The Sub-Fund's net derivative exposure may be up to 50% of its NAV.

What are the key risks?

Investment involves risks. Please refer to the offering document for details including the risk factors.

1. Investment risk

- The Sub-Fund is an investment fund. The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore you may lose a substantial proportion or all of your investment in the Sub-Fund. There is no guarantee of the repayment of principal.

2. Currency exchange risk

- The Sub-Fund is denominated in US dollars. Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, a class of units may be designated in a currency other than the base currency of the Sub-Fund. The NAV of the Sub- Fund and its performance may be affected unfavourably by movements in the exchange rates between the currencies in which the assets are held and US dollars, and any changes in exchange control regulations which may cause difficulties in the repatriation of funds.

3. Concentration risk

- The concentration of the Sub-Fund's investments in China-related companies may result in greater volatility in the value of the Sub-Fund than more diverse portfolios which comprise broad-based global investments.
- The value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the China market.

4. Risk of investing in China

- China is an emerging market. Investing in China-related companies involves certain increased risks and special conditions not typically associated with investment in more developed economies or markets, such as greater political, tax, economic, foreign exchange risks/controls, liquidity, settlement, custody, legal and regulatory risk, and the likelihood of higher degree of volatility.

5. Equity market risk

- The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.

6. Risk associated with high volatility of the equity market in China

- High market volatility and potential settlement difficulties in the China markets may also result in significant fluctuations in the prices of the securities traded on such markets and thereby may adversely affect the value of the Sub-Fund.

7. Risk associated with the legal system and regulatory/exchanges requirements/policies of the equity market in China

- Securities exchanges in the China markets typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets. All these may have a negative impact on the Sub- Fund.

8. RMB currency conversion risks

- RMB is currently not freely convertible and is subject to exchange controls and restrictions.
- Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example US dollar) will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Sub-Fund.
- Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.
- Under exceptional circumstances, payment of redemptions and/or dividend payment in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

9. Risks relating to A Shares and B Shares markets

- The A Shares and B Shares markets may be more volatile and unstable (for example, due to the risk of suspension of a particular stock or government intervention).
- Market volatility and potential lack of liquidity (for example, low liquidity in respect of B Shares due to low trading volume) may result in prices of securities traded on such markets to fluctuate significantly resulting in substantial changes in the NAV of the Sub-Fund.

10. Counterparty risk of CAAPs

- The Sub-Fund will invest in CAAPs and will be exposed to the counterparty risk of the issuers of these CAAPs. If a CAAP issuer were to become insolvent, the Sub-Fund would lose its investment up to the full value of that CAAP.

11. QFII Risk

- The current QFII policy and rules are subject to change and any such change which may have potential retrospective effect, and could adversely impact the Sub-Fund's direct investments in A Shares and indirect investments in A Shares through CAAPs.
- The Sub-Fund's ability to make the relevant investments through the QFII Holder or to fully implement or pursue its investment objective and strategy are subject to the applicable laws, rules and regulations (including the then prevailing exchange controls and other prevailing requirements of the PRC including rules on investment restrictions, lock-up period and repatriation and remittance of principal and profits) in the PRC. The capacity of the Sub-Fund to make investments, and thus the value of the Sub-Fund, may be affected.

- The Sub-Fund may suffer substantial losses if there is insufficient QFII quota allocated for the Sub- Fund to make investments, the approval of the QFII is being revoked/terminated or otherwise invalidated as the Sub-Fund may be prohibited from trading of relevant securities and repatriation of the Sub-Fund's monies, or if any of the key operators or parties (including QFII custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

12. Risks associated with Stock Connects

- The current regulations and rules on Stock Connects are subject to change which may have potential retrospective effect. The Stock Connects are subject to quota limitations which may restrict the Sub-Fund's ability to invest in A Shares through the Stock Connects on a timely basis and as a result, the Sub-Fund's ability to access the A Shares markets (and hence to pursue its investment strategy) will be adversely affected. Where a suspension in the trading through the Stock Connects is effected, the Sub-Fund's ability to access the PRC markets will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.

13. Risks associated with the Small and Medium Enterprise Board of the Shenzhen Stock Exchange ("SZSE") ("SME Board"), the ChiNext Market of the SZSE ("ChiNext Market") and/or the Science and Technology Innovation Board of the Shanghai Stock Exchange ("SSE") ("STAR Board")

- When investing in eligible A Shares through the Shenzhen-Hong Kong Stock Connect, the Sub- Fund will also be subject to the risks associated with the SME Board of the SZSE, ChiNext Market of the SZSE and the STAR Board of the SSE.
- *Higher fluctuation on stock prices and liquidity risk* - Listed companies on the SME Board, ChiNext Market and/or the STAR Board are usually of emerging nature with smaller operating scale. In particular, listed companies on the STAR Board are subject to wider price fluctuation limits, and due to higher entry thresholds for investors may have limited liquidity, compared to other boards. Hence, companies listed on these boards are subject to higher fluctuation in stock prices and liquidity risks and have higher risks and turnover ratios than companies listed on the Main Boards of the SZSE and/or the SSE.
- *Over-valuation risk* - Stocks listed on SME Board, ChiNext Market and/or the STAR Board may be overvalued and such exceptionally high valuation may not be sustainable. Stock price may be more susceptible to manipulation due to fewer circulating shares.
- *Differences in regulation* - The rules and regulations regarding companies listed on ChiNext Market and the STAR Board are less stringent in terms of profitability and share capital than those in the Main Boards of the SZSE and/or the SSE and SME Board.
- *Delisting risk* - It may be more common and faster for companies listed on the SME Board, ChiNext Market and/or the STAR Board to delist. In particular, STAR Board has stricter criteria for delisting compared to other boards. This may have an adverse impact on the Sub-Fund if the companies that it invests in are delisted.
- *Concentration risk* - The STAR Board is a newly established board and may have a limited number of listed companies during the initial stage. Investments in the STAR Board may be concentrated in a small number of stocks and subject the Sub-Fund to higher concentration risk.
- Investments in the SME Board, ChiNext Market and the STAR Board may result in significant losses for the Sub-Fund and its investors.

14. Risk associated with small-capitalisation / mid-capitalisation companies

- The stock of small-capitalisation / mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalisation companies in general.

15. PRC tax risk

- There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realized by a foreign investor on its investment in the PRC (which may have retrospective effect). Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund's value.

- Having consulted professional and independent tax adviser, the Manager will not make provisions for any withholding income tax payable by the Sub-Fund on PRC sourced capital gains from B Shares, H Shares and RMB denominated debt securities issued or listed offshore by PRC issuers. The implication of this is that if the Sub-Fund is liable to pay such withholding and other taxes, this may result in an unfavourable impact on the NAV of the Sub-Fund.
- Having consulted professional and independent tax adviser, currently no provision for gross realised or unrealised capital gains derived from trading of A Shares through QFII, CAAPs (where the CAAPs issuers are QFII) and the Stock Connects is made by the Manager on behalf of the Sub- Fund.
- If no tax provision is made, unitholders may be disadvantaged. Any shortfall between the provision and the actual tax liabilities, which will be debited from the Sub-Fund's assets, will adversely affect the Sub-Fund's NAV. Depending on the timing of their subscriptions and/or redemptions, investors may be disadvantaged as a result of any shortfall of tax provision and will not have the right to claim any part of the overprovision (as the case may be).

16. Risks relating to currency hedging and the currency hedged classes ("Currency Hedged Classes")

- The Manager may (but is not obliged to) enter into certain currency related transactions in order to hedge the currency exposure of the assets of the Sub-Fund attributable to a particular class into the class currency of the relevant class. Investors in the Currency Hedged Classes may have exposure to currencies other than the currency of that Currency Hedged Class. Investors should also be aware that the hedging strategy may substantially limit the benefits of any potential increase in value of a Currency Hedged Class expressed in the class currency, if the Currency Hedged Class' denominating currency falls against the base currency of the Sub-Fund.
- The precise hedging strategy applied to a particular Currency Hedged Class may vary. In addition, there is no guarantee that the desired hedging instruments will be available or hedging strategy will achieve its desired result. In such circumstances, investors of the Currency Hedged Class may still be subject to the currency exchange risk on an unhedged basis.
- If the counterparties of the instruments used for hedging purposes default, investors of the Currency Hedged Classes may be exposed to the currency exchange risk on an unhedged basis and may therefore suffer further losses.

17. Performance fee risk

- The performance fee payable to the Manager may create an incentive for the Manager to make investments that are riskier or more speculative than would be the case in the absence of a performance fee.
- There is no adjustment of equalisation credit or equalisation losses on an individual unitholder basis for the calculation of the performance fee. A unitholder redeeming units may still incur performance fee in respect of the units, even though a loss in investment capital has been suffered by the redeeming unitholder.
- In addition, performance fee may be paid on unrealized gains which may never be realised by the Sub-Fund.

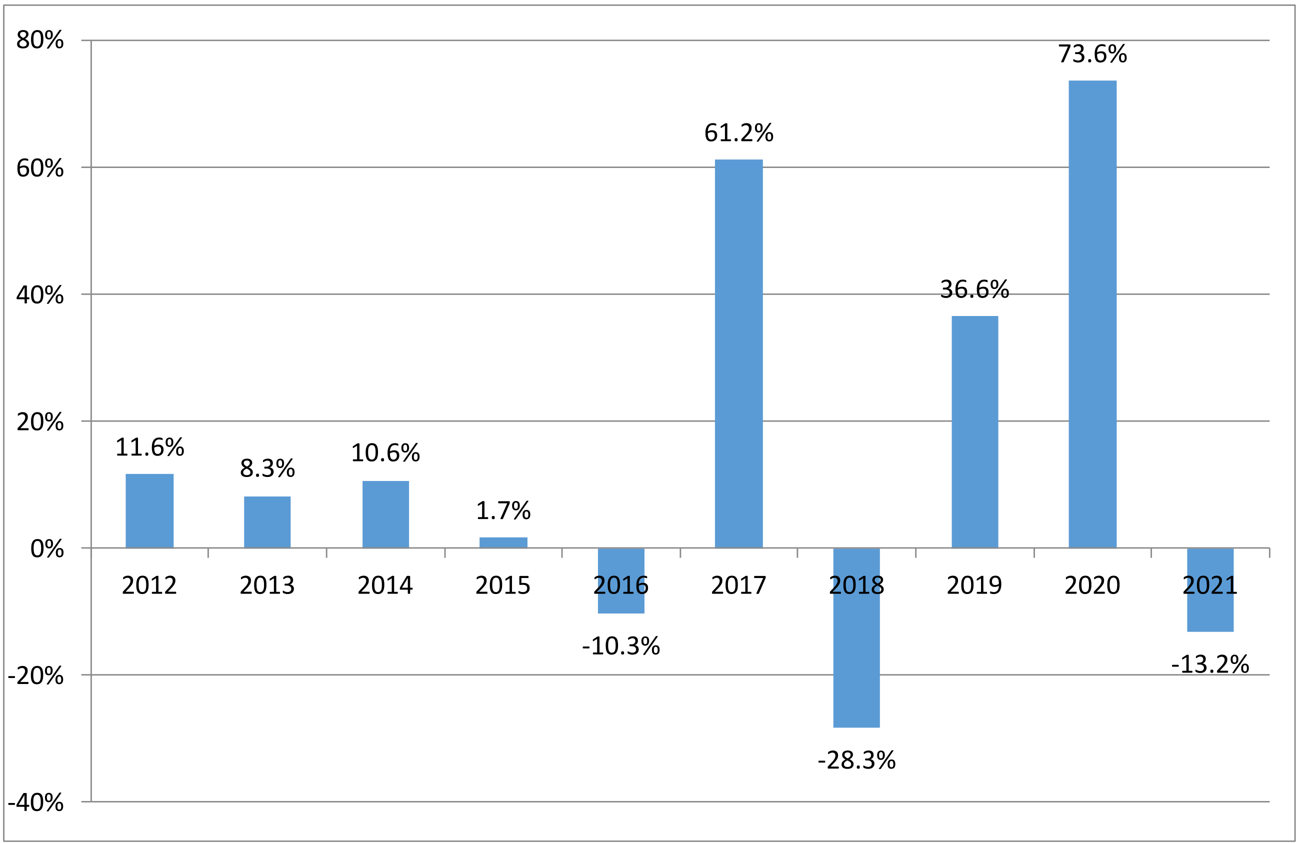
18. Risks associated with investments in financial derivative instruments

- Risks associated with derivative instruments include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/ component of a derivative instrument and adverse changes in the value or level of the underlying asset, rate or index can result in a loss significantly greater than the amount invested in the derivative instrument itself. Exposure to derivative instruments may lead to a high risk of significant loss by theFund.

19. Distributions payable out of capital risk

- Payment of dividends out of capital may require the Manager to sell the assets of the Sub-Fund and amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of capital of the Sub-Fund may result in an immediate reduction of the NAV per unit of the relevant class.

How has the Sub-Fund performed?



Note:

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.
- The figures show by how much Class A increased or decreased in value during the calendar year being shown. Performance data has been calculated in US$ including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Sub-Fund launch date: 27 November 2003
- Class A launch date: 27 November 2003
- Class A has the longest history and is broadly indicative of the Sub-Fund's performance characteristics.

Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee (Initial Charge)	Class A Units: Up to 5% of the amount you buy.
Switching fee	Nil*
Redemption fee	Nil

* *Certain distributors may impose a charge for each switching of units acquired through them for units in another class of the Sub-Fund or other sub-funds, which will be deducted at the time of the switching and paid to the relevant distributor.*

Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate
Management fee (as a % of each class' NAV)	Class A Units: 1.25%*
Trustee fees (including fees of the Custodian and Registrar's Agent) (as a% of the Sub-Fund's NAV)	First US$150 million of the Sub-Fund's NAV .... 0.135%* Next US$650 million of the Sub-Fund's NAV......................... 0.13% Thereafter .... 0.125% The trustee fees are subject to a monthly minimum of US$4,500.
Performance fee	15% of the appreciation in the NAV per unit in the relevant class (prior to the deduction of any performance fee and any distribution declared or paid in respect of the relevant performance period(s) since the last performance fee is crystallised and paid) during a performance period above the high water mark per unit. • The high water mark is initially set at the initial offer price of that class. • Each performance period corresponds to the financial year of the Sub- Fund. • Where a performance fee is payable to the Manager for a performance period, the NAV per unit of that class (after deduction of all fees and any distribution declared or paid) on the last valuation day of that performance period will be set as the high water mark for the next performance period. • Performance fee accrues on each valuation day if the NAV per unit exceeds the high water mark. On each valuation day, the performance fee accrual made (if any) on the previous valuation day will be reversed and a new performance fee accrual will be calculated. If the NAV per unit is lower than or equal to the high water mark, any performance fee accrual will be reversed and no performance fee will be accrued. • For details and illustrative examples of the performance fee calculation, please refer to the section headed "Performance Fee" in the Explanatory Memorandum.
Other fees	You may have to pay other fees when dealing in the units of the Sub-Fund.

* *Please note that some fees may be increased up to a specified permitted maximum on giving unitholders at least one month's prior notice. Please refer to the section of the Explanatory Memorandum entitled "Fees and Expenses" and the sections headed "Management Fee" and "Trustee Fees" in the Sub-Fund's Appendix to the Explanatory Memorandum for further details of the fees and charges payable and the permitted maximum of such fees, as well as other ongoing expenses that may be borne by the Sub-Fund.*

Additional Information

- You generally buy and redeem units at the Sub-Fund's next-determined NAV after the Registrar's Agent receives your request, directly or via a distributor, in good order at or before 5:00 p.m. (Hong Kong time), being the Sub-Fund's dealing cut-off time on each dealing day of the Sub-Fund. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The NAV of the Sub-Fund is calculated and the prices are available online at www.valuepartners- group.com. This website has not been reviewed or authorized by the SFC. Investors may obtain the past performance information of other unit classes offered to Hong Kong investors from the website of the Manager at www.valuepartners-group.com. This website has not been reviewed or authorized by the SFC.
- Investors may obtain information on the distributor(s) appointed in respect of the Sub-Fund by making a telephone enquiry with the Manager on (852) 2143 0688.
- The compositions of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months will be available from the Manager on request and on the website of the Manager at www.valuepartners-group.com. This website has not been reviewed or authorized by the SFC.

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.