

VALUE PARTNERS CLASSIC FUND

(Formerly known as Value Partners "A" Fund)

PORTFOLIO SUMMARY
FEBRUARY 2010

- Please pay particular attention to the risk of investment in China and other markets in the Asian region and in companies with medium or small capitalization. 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.
- 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.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.
- You should not invest unless the intermediary who sells it to you has advised you that the product is suitable for you and explained how it is consistent with your investment objectives.

Investment objective

The fund uses a bottom-up, value discipline to invest in the Asia-Pacific region, with emphasis on the stock markets of Greater China.

(A, B and C units are invested in the same fund, A and B units were no longer issued from 12 April 2002 and 15 October 2009 respectively. Only C units are currently available.)

Performance update[#]

	A Units	Hang Seng Index	B Units	C Units ^Q
One month	+2.2%	+2.4%	+2.2%	-
Year-to-date	-3.7%	-5.8%	-3.8%	-
One year	+82.4%	+63.3%	+81.5%	-
Three years	+23.8%	+15.2%	+21.9%	-
Five years	+104.4%	+74.2%	+100.1%	-
Since launch	+1,696.3%*	+280.7%*	+736.6% [^]	-
Annualized return	+18.6%*	+8.2%*	+16.6% [^]	-
Annualized volatility	22.5%*	29.0%*	23.7% [^]	-

Annualized return and volatility are calculated from inception. 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.

Annual return since launch[#]

	A Units	B Units		A Units	B Units
1993	+62.9%*	-	2002	+21.2%	+20.9%
1994	-12.0%	-	2003	+83.6%	+83.1%
1995	+21.3%	-	2004	+5.8%	+5.6%
1996	+32.5%	+11.8% [^]	2005	+15.9%	+15.6%
1997	-1.4%	-1.6%	2006	+41.8%	+41.2%
1998	-29.1%	-29.3%	2007	+41.1%	+40.4%
1999	+38.0%	+37.5%	2008	-47.9%	-48.1%
2000	+10.3%	+10.0%	2009	+82.9%	+82.0%
2001	+46.3%	+46.0%	2010	-3.7% ⁺	-3.8% ⁺

*Since A Units launched on 1 April 1993.

[^]Since B Units launched on 15 May 1996.

^QPerformance figures will be available 6 months after inception.

⁺Year-to-date return as at 26 February 2010.

Unless specified, all information contained on this page is quoted as at 26 February 2010.

Index refers to Hang Seng Price Return Index up to 31 December 2004, thereafter it is the Hang Seng Total Return Index. Hang Seng Total Return Index includes dividend reinvestment whereas Hang Seng Price Return Index does not take into account reinvestment of dividends.

[#]Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, in USD, NAV to NAV, with dividends reinvested. Performance data is net of all fees.

^A Classification is based on Global Industry Classification Standard (GICS).

Investors should note investment involves risk. The price of units may go down as well as up and past performance is not indicative of future results. Investors should read the explanatory memorandum for details and risk factors in particular those associated with investment in emerging markets. Information in this report has been obtained from sources believed to be reliable but Value Partners Limited does not guarantee the accuracy or completeness of the information provided by third parties. This report has not been reviewed by the Securities and Futures Commission. Issuer: Value Partners Limited.

NAV per A unit: US\$179.63

NAV per B unit: US\$83.66

NAV per C unit: US\$10.37

Fund size: US\$749.44 million

Launch date: A Units on 1 April 1993

B Units on 15 May 1996

C Units on 15 October 2009

Total assets under management by Value Partners Group:

US\$5.2 billion (as at 31 January 2010)

Top 10 security holdings

Name	Industry ^A	%
CNOOC	Energy	5.5
Kingboard Chemical	Technology, hardware & equip	4.8
Dongfeng Motor Group	Automobiles & components	3.2
PetroChina	Energy	2.1
Great Wall Motor	Automobiles & components	2.1
Compal Electronics	Technology, hardware & equip	2.1
China Construction Bank	Banks	2.0
China Vanke	Real estate	2.0
Hon Hai Precision Industry	Technology, hardware & equip	1.9
Chow Sang Sang	Retailing	1.8

These stocks constitute 28% of the fund.

Geographical exposure by listing*

Hong Kong	28%	Gold	5%
H Shares	18%	Indonesia	3%
Taiwan	11%	Singapore	2%
Red Chips	10%	Others***	2%
China B Shares	9%	Cash**	11%

Short exposure includes: Hong Kong, -0.2%.

Sector exposure^{A*}

Consumer discretionary	22%	Gold	5%
Information technology	15%	Industrials	5%
Financials	12%	Health care	5%
Energy	10%	Others***	1%
Consumer staples	7%	Cash**	11%
Materials	7%		

Total short exposure is -0.2%. Short exposure includes: Financials, -0.2%.

*Exposure refers to net exposure (long exposure minus short exposure).

**Cash refers to net cash on hand excluding cash for collateral and margin.

***Others include 0.2% cash for collateral and margin.

Portfolio characteristics

As at 26 February 2010	2010 ^B
Price/earnings ratio	13.1 times
Price/book ratio	2.2 times
Dividend yield	2.8 %

^B The above profile is based on market consensus forecast as derived from I/B/E/S and Bloomberg. Note that the manager's internal estimates may differ significantly from I/B/E/S and Bloomberg estimates.