# PRODUCT KEY FACTS

## Value Partners Fund Series OFC

## Value Partners HK-US Dividend Low Volatility ETF (Listed Class)

March 2026

Issuer: Value Partners Hong Kong Limited

- ***This is a passive exchange traded fund.***
- ***This statement provides you with key information about this product.***
- ***This statement is a part of the Sub-Fund's Prospectus.***
- ***You should not invest in this product based on this statement alone.***

## Quick facts

| | |
|---|---|
| **Stock code:** | 03488 |
| **Trading lot size:** | 100 Shares |
| **Manager:** | Value Partners Hong Kong Limited |
| **Custodian:** | CMB Wing Lung (Trustee) Limited |
| **Index:** | CCX HK-US Dividend Low Volatility Index (HKD Net Return) |
| **Ongoing charges over a year[#]:** | 1.15% |
| **Annual tracking difference*:** | -1.75% |
| **Dealing frequency:** | Daily (each business day) |
| **Base currency:** | Hong Kong dollars (HKD) |
| **Trading currency:** | Hong Kong dollars (HKD) |
| **Dividend policy:** | The Manager may declare and distribute dividends to Shareholders at the Manager's discretion. There is no guarantee to the payment of distributions or frequency of payment. Dividends may also be paid out of capital or effectively out of capital of the relevant class and may result in an immediate reduction of the Net Asset Value ("**NAV**") per share of the Sub-Fund ("**Share**").<br><br>**All Shares will receive distributions in the base currency (HKD) only.** |
| **Financial year end of the Sub-Fund:** | 31 December |
| **Website:** | www.valuepartners-group.com<br>(this website has not been reviewed by the SFC) |

[#] The ongoing charges figure is indicative only as the Sub-Fund is newly set up. It represents the sum of the estimated ongoing expenses over a 12-month period chargeable to the relevant class expressed as a percentage of the estimated average NAV of the relevant class over the same period. The actual figure may be different from this estimated figure and it may vary from year to year. For the 12-month period from the launch of the Sub-Fund, the ongoing charges of the class is capped at 1.15% of the averaged NAV of the class. Any ongoing expenses in respect of the class exceeding the capped figure during this period will be borne by the Manager and will not be charged to the class.

* This is an estimated annual tracking difference as the Sub-Fund is newly set up. Investors should refer to the website of the Sub-Fund for more up-to-date information on actual tracking difference.

## What is this product?

Value Partners HK-US Dividend Low Volatility ETF (the "**Sub-Fund**") is a sub-fund of the Value Partners Fund Series OFC ("**Company**"), which is a public umbrella open-ended fund company established under Hong Kong law with variable capital with limited liability and segregated liability between sub-funds. The Sub-Fund is a passively managed index tracking exchange traded fund under Chapter 8.6 of the Code on Unit Trusts and Mutual Funds (the "**Code**").

**The Sub-Fund offers both listed class of Shares (the "Listed Class of Shares") and unlisted classes of Shares (together the "Unlisted Classes of Shares"). This statement contains information about the offering of the Listed Class of Shares, and unless otherwise specified, references to "Shares" in this statement shall refer to the Listed Class of Shares. Investors should refer to a separate statement for the offering of the Unlisted Classes of Shares.**

**The Listed Class of Shares of the Sub-Fund are listed on The Stock Exchange of Hong Kong Limited (the "SEHK") and are traded on the SEHK like listed stocks.**

**Objectives and Investment Strategy**

**Objective**

The investment objective of the Sub-Fund is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the CCX HK-US Dividend Low Volatility Index (HKD Net Return) (the "**Index**"). There is no assurance that the Sub-Fund will achieve its investment objective.

**Strategy**

In seeking to achieve the Sub-Fund's investment objective, the Manager will use a full replication strategy by directly investing all, or substantially all, of the assets of the Sub-Fund in securities constituting the Index (the "**Index Securities**") in substantially the same weightings as these Index Securities have in the Index. When an Index Security ceases to be a constituent of the Index, rebalancing occurs which involves, inter alia, selling the outgoing Index Security and using the proceeds to invest in the incoming Index Security. The Manager will not use a representative sampling strategy other than in exceptional circumstances.

Under exceptional circumstances (i.e. due to restrictions, suspensions of trading or limited availability of certain Index Securities), the Manager may also use a representative sampling strategy where:

- It is not feasible to acquire certain Index Securities due to restrictions or limited availability, in which case the Sub-Fund may invest in a representative sample whose performance is closely correlated with the Index, but whose underlying securities may or may not themselves be constituents of the Index; and/or other collective investment schemes ("**CIS**"). "CIS" means an exchange traded fund and/or an unlisted index tracking fund which tracks an index that has a high correlation with the Index. The Sub-Fund's ability to invest in other CIS may not exceed 10% of the NAV of the Sub-Fund and the Sub-Fund will not hold more than 10% of any units or shares issued by any single CIS.
- It is not cost efficient, by reference to the Sub-Fund's NAV, to use a full replication strategy. In such exceptional event the Manager will invest in a representative sample of Index Securities, which collectively has an investment profile that reflects the profile of the Index.

The Sub-Fund shall primarily adopt a full replication strategy and may switch between the full replication strategy and the representative sampling strategy without prior notice to investors, in its absolute discretion, and as often as it believes is appropriate in order to achieve the investment objective of the Sub-Fund by tracking the Index as closely as possible to the benefit of investors.

In pursuing a representative sampling strategy, the Manager may cause the Sub-Fund to deviate from the Index weighting on condition that the maximum deviation from the Index weighting of any constituent will not exceed 3 percentage points or such other percentage points as determined by the Manager after consultation with the SFC.

If any non-constituent of the Index is held in the portfolio, for reasons other than Index rebalancing and Index related corporate action, to enhance transparency the Manager will disclose the name and weighting of such non-constituent securities and other CIS on the Manager's website immediately after the purchase and they will be reported at least monthly until their disposal.

*Securities Lending Transactions*

The Manager may, on behalf of the Sub-Fund, enter into securities lending transactions, with the maximum level for up to 50% and expected level for approximately 20% of the Sub-Fund's NAV. The Manager may, on behalf of the Sub-Fund, recall the securities lent out at any time. All securities lending transactions will only be carried out in the best interest of the Sub-Fund and as set out in the relevant securities lending agreement.

*Other Investment*

The Sub-Fund may also invest not more than 5% of its NAV in cash and cash equivalents including money market funds which are authorised under Chapter 8.2 of the Code or eligible schemes under Chapter 7.11A of the Code for cash management purposes.

The Sub-Fund currently will not invest in any financial derivative instruments (including structured products or instruments) for hedging or non-hedging (i.e. investment) purposes. There is no current intention for the Sub-Fund to engage in sale and repurchase transactions, reverse repurchase transactions and/or other similar over-the-counter transactions. The Manager will seek the prior approval of the SFC (if required) and provide at least one month's prior notice to shareholders before the Manager engages in any such investments.

**Index**

The CCX HK-US Dividend Low Volatility Index (HKD Net Return) is a cross-market equity index designed to track dividend-yielding securities eligible for Southbound trading on the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively, the "**Stock Connect**") or listed on major US exchanges by selecting securities with stable income characteristics and low volatility from both markets.

The Index universe consists of securities listed on the SEHK that are eligible for Southbound trading under the Stock Connect, as well as common stocks listed on the New York Stock Exchange (NYSE), the NASDAQ Stock Market (NASDAQ) and NYSE American. Constituent selection is conducted separately for Hong Kong and US listed securities based on the following eligibility criteria apply:

- for Hong Kong listed securities, ranking (i) within the top 50% of the securities eligible for Southbound Stock Connect by average daily trading value ("**ADTV**") over both the past 3 months and the past 1-year and (ii) within the top 30% by 1-year average market capitalisation, and having consecutive cash dividend payments in each of the past 3 fiscal years (but excluding securities ranked in the highest 20% by volatility of dividend payout ratios over the past 3 years); and
- for US listed securities, they must (a) be listed for at least 1 year, ranking (i) within the top 30% of the universe by average daily market capitalisation and (ii) within the top 50% by ADTV over the past 1 year; (b) have made consecutive cash dividend payments in each of the past 5 fiscal years and a non-negative dividend growth rate over the past 3 years; (c) having a dividend yield of no more than 10% based on the most recent fiscal year; and (d) having a positive shareholders' equity as of the latest reporting period.

A quality factor score (based on the applicable primary factors [1]) is then calculated for each eligible security. The top 30 Hong Kong listed eligible securities ("**HK Index Securities**") and the top 30 US listed eligible securities ("**US Index Securities**"), each ranked in descending order by the quality factor score, are selected for inclusion in the Index.

Initial Index weights of HK Index Securities are determined using a rank-based factor weighting approach such that HK Index Securities with higher quality factor scores receive higher weights (with the maximum weight of a single industry and a single HK Index Security limited to 35% and 7.7% of the sub-portfolio of HK Index Securities respectively), while the initial Index weights of US Index Securities are determined based on market capitalisation weighting (with the weight of any single US Index Security capped at 14.29% of the sub-portfolio of US Index Securities). The Index constituents are finalised by combining the selected HK Index Securities and US Index Securities (based on the above weighting), then further adjusted such that the aggregate weights for HK Index Securities and US Index Securities equal to 65% and 35% of the Index portfolio respectively. A cap of 5% is imposed on the weighting of any individual Index Security in the Index at the time of Index rebalancing.

The Index constituents are reviewed quarterly and the rebalancing becomes effective on the first common trading day of the Stock Connect and US stock markets following the second Friday of the month.

The Index is a net total return index which means that the performance of the Index constituents is calculated on the basis that any dividends or distributions are reinvested after withholding tax deduction (if any). The Index is denominated and quoted in HKD. The Index was launched on 30 September 2025. The base date for the Index was 31 December 2016 with a base level of 1,000 as of the base date.

As at 23 January 2026, the Index had a total market capitalisation of approximately HKD 60,382.72 billion and 60 constituents. The largest constituent of the Index accounted for 5.12% of the Index.

The Index is calculated and maintained by China Chengxin Indices Co., Ltd (the "**Index Provider**"). The Manager, the Investment Adviser and their connected persons are independent of the Index Provider.

[1] For Hong Kong listed securities, the primary factors are low valuation factor, earning quality factor, beta factor, dividend factor and momentum factor; for US listed securities, the primary factors are return on equity (ROE) factor and low volatility factor.

You can obtain the most updated list of constituents of the Index, their respective weightings, the last closing Index level and additional information of the Index including the Index methodology and important news from the website of the Index Provider at https://www.ccxindices.com/indexDetails?code=CCX50596 (this website has not been reviewed by the SFC).

**Index Code**

Index Provider: CCX50596

## Use of derivatives / Investment in derivatives

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

## What are the key risks?

**Investment involves risks. Please refer to the Prospectus for details including the risk factors.**

**1. Investment risk**

- The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.

**2. Equity market risk**

- Investing in equity securities may offer a higher rate of return than those investing in short term and longer term debt securities. However, the risks associated with investments in equity securities may also be higher, because the investment performance of equity securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines, changes in investment sentiment, political and economic conditions and risks associated with individual companies. The fundamental risk associated with any equity portfolio is the risk that the value of the investments it holds might suddenly and substantially decrease in value.

**3. Concentration risk**

- As the Index constituents concentrate in dividend-yielding and low volatility securities listed on the SEHK and in the US stock markets, the investment of the Sub-Fund may be similarly concentrated. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of 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 Hong Kong and US markets.

**4. New index and new Index Provider risk**

- The Index is a new index recently launched on 30 September 2025 by China Chengxin Indices Co., Ltd, which has not previously been an index provider for SFC-authorised funds. Given that both the Index and the Index Provider are relatively new, the Sub-Fund may be riskier in respect of the operation of the Index than other exchange traded funds tracking more established indices compiled by other more experienced index providers with longer operating history.

**5. Mega-capitalisation companies risk**

- The Index constituents may include mega-capitalisation companies that are relatively mature compared to smaller companies and therefore subject to slower growth during times of economic expansion. They may struggle with flexibility to respond quickly to disruptions and changes in trends.
- The high valuation of mega-capitalisation companies can make them more susceptible to market corrections, downturns and changes in interest rates. Moreover, mega-capitalisation companies typically have high price-to-earnings ratio than smaller capitalisation companies which can lead to overvaluation and may indicate there is less room for gains and even potential downward price adjustment.
- Mega-capitalisation companies usually exert market dominance and therefore frequently face regulatory pressures, in particular antitrust scrutiny. This leads to legal challenges and increased costs which may in turn affect profitability.

**6. Risk associated with small-capitalisation / mid-capitalisation companies**

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

**7. Differences in dealing arrangements between Listed Class of Shares and Unlisted Classes of Shares**

- Investors of Listed and Unlisted Classes of Shares are subject to different pricing and dealing arrangements. The NAV per Share of each of the Listed and Unlisted Classes of Shares may be different due to different fees and cost applicable to each class. The trading hours of the SEHK applicable to the Listed Class of Shares in the secondary market and the dealing deadlines in respect of the Unlisted Classes of Shares are also different. For the avoidance of doubt, the dealing deadline applicable to the Listed Class of Shares in the primary market and the dealing deadlines in respect of the Unlisted Classes of Shares are the same.

- Shares of the Listed Class of Shares are traded on the stock exchange in the secondary market on an intraday basis at the prevailing market price (which may diverge from the corresponding NAV), while Shares of the Unlisted Classes of Shares are sold through intermediaries based on the dealing day-end NAV and are dealt at a single valuation point with no access to intraday liquidity in an open market. Depending on market conditions, investors of the Unlisted Classes of Shares may be at an advantage or disadvantage compared to investors of the Listed Class of Shares.
- In a stressed market scenario, investors of the Unlisted Classes of Shares could redeem their Shares at NAV while investors of the Listed Class of Shares in the secondary market could only redeem at the prevailing market price (which may diverge from the corresponding NAV) and may have to exit the Sub-Fund at a significant discount. On the other hand, investors of the Listed Class of Shares could sell their Shares on the secondary market during the day thereby crystallising their positions while investors of the Unlisted Classes of Shares could not do so in a timely manner until the end of the day.

**8. Differences in cost mechanisms between Listed Class of Shares and Unlisted Classes of Shares**

- Investors should note that different cost mechanisms apply to Listed Class of Shares and Unlisted Classes of Shares. For Listed Class of Shares, the transaction fee and duties and charges in respect of creation and redemption applications are paid by the participating dealer applying for or redeeming such Shares and/or the Manager. Investors of Listed Class of Shares in the secondary market will not bear such transaction fees and duties and charges (but for the avoidance of doubt, may bear other fees, such as SEHK trading fees).
- On the other hand, the subscription and redemption of Unlisted Classes of Shares may be subject to a subscription fee and realisation fee respectively, which will be payable to the Manager by the investor subscribing or redeeming. In addition, the Manager may, in addition to the subscription price and/or redemption price, add or deduct an amount which it considers represents an appropriate provision for transactional fees or expenses which are customarily incurred by the Sub-Fund.
- Any or all of these factors may lead to a difference in the Net Asset Value of the Listed Class of Shares and Unlisted Classes of Shares.

**9. Securities lending transactions risk**

- Securities lending transactions may involve the risk that the borrower may fail to return the securities lent out in a timely manner and the value of the collateral may fall below the value of the securities lent out.

**10. Passive investment risk**

- The Sub-Fund is passively managed and the Manager will not have the discretion to adapt to market changes due to the inherent investment nature of the Sub-Fund. Falls in the Index are expected to result in corresponding falls in the value of the Sub-Fund.

**11. Tracking error risk**

- The Sub-Fund may be subject to tracking error risk, which is the risk that its performance may not track that of the Index exactly. This tracking error may result from the investment strategy used and/or fees and expenses. The Manager will monitor and seek to manage such risk and minimise tracking error. There can be no assurance of exact or identical replication at any time of the performance of the Index.

**12. Trading risk**

- The trading price of the Shares on the SEHK is driven by market factors such as the demand and supply of the Shares. Therefore, the Shares may trade at a substantial premium or discount to the NAV and may deviate significantly from the NAV per Share.
- As investors will pay certain charges (e.g. trading fees and brokerage fees) to buy or sell Shares on the SEHK, investors may pay more than the NAV per Share when buying Shares on the SEHK, and may receive less than the NAV per Share when selling Shares on the SEHK.

**13. Trading differences risks**

- As the markets on which the Sub-Fund invests may be open when Shares in the Sub-Fund are not priced, the value of the securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell the Sub-Fund's Shares. Differences in trading hours between the markets in which the Sub-Fund invests and the SEHK may also increase the level of premium or discount of the Share price to its NAV.

**14. Distributions out of or effectively out of capital risk**

- Payment of distributions out of capital or effectively out of capital 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 such distributions may result in an immediate reduction in the NAV per Share of the Sub-Fund.

**15. Early termination risks**

- The Sub-Fund may be terminated early under certain circumstances, for example, if the size of the Sub-Fund falls below USD 10 million (or equivalent). Investors may not be able to recover their investments and suffer a loss when the Sub-Fund is terminated.

**16. Reliance on market makers risks**

- Although the Manager will use its best endeavours to put in place arrangements so that at least one market maker will maintain a market for the Shares and that at least one market maker gives not less than 3 months' notice prior to terminating market making under the relevant market maker agreement, liquidity in the market for the Shares may be adversely affected if there is no or only one market maker for the Shares. There is also no guarantee that any market making activity will be effective.

## How has the Sub-Fund performed?

Since the Sub-Fund is newly set up, there is insufficient data to provide a useful indication of past performance to investors.

## Is there any guarantee?

The 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 incurred when trading the Sub-Fund on SEHK

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

| **Fee** | **What you pay** |
|---|---|
| Brokerage fee | At each broker's discretion |
| Transaction levy | 0.0027% of the trading price of the Shares [1] |
| Accounting and Financial Reporting Council ("**AFRC**") transaction levy | 0.00015% of the trading price of the Shares [2] |
| SEHK Trading fee | 0.00565% of the trading price of the Shares [3] |
| Stamp duty | Nil |

1. Transaction levy of 0.0027% of the trading price of the Shares, payable by each of the buyer and the seller.
2. AFRC transaction levy of 0.00015% of the trading price of the Shares, payable by each of the buyer and the seller.
3. SEHK trading fee of 0.00565% of the trading price of the Shares, payable by each of the buyer and the seller.

### Ongoing fees payable by the Sub-Fund

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

| **Fee** | **Annual rate (as a % of the Listed Class of Shares' NAV)** |
|---|---|
| **Management fee*** | 0.90% per annum |
| **Performance fee** | Nil |
| **Custodian fee*** | Up to 0.02% per annum, subject to a minimum monthly aggregate fee of HKD24,000 in respect of both custodian fee and administration fee |
| **Administration fee*** | Up to 0.05% per annum, subject to a minimum monthly aggregate fee of HKD24,000 in respect of both custodian fee and administration fee |

### Other fees

You may have to pay other fees when dealing in the Shares of the Sub-Fund.

* Please note that some fees may be increased up to a permitted maximum amount by providing one month's prior notice to Shareholders (except in the case where such increase only affects the Listed Class of Shares, 1 week's prior notice to shareholders of the Listed Class of Shares). Please refer to the section headed "Expenses and Charges" in the Prospectus for further details of the fees and charges payable and the permitted maximum of such fee allowed, as well as other ongoing expenses that may be borne by the Sub-Fund.

## Additional information

The Manager will publish important news and information in respect of the Sub-Fund, in both English and Chinese languages (unless otherwise specified) at the following website www.valuepartners-group.com (this website has not been reviewed by the SFC), including:

- the Prospectus and this product key facts statement (as amended and supplemented from time to time);
- the latest annual and semi-annual unaudited financial reports in English;
- any public announcements made by the Sub-Fund, including information in relation to the Sub-Fund and the Index, notices of suspension of the issue and redemption of Shares, suspension of the calculation of the NAV, changes in fees and suspension and resumption of trading in Shares;
- any notices relating to material changes to the Sub-Fund which may have an impact on its investors such as material alterations or additions to the offering documents and constitutive documents of the Sub-Fund;
- the last NAV in the Sub-Fund's base currency (HKD) and the last NAV per Share in its trading currency (HKD);
- the near real time indicative NAV per Share in its trading currency (HKD) (updated every 15 seconds during SEHK trading hours);
- the annual tracking difference and tracking error of the Sub-Fund;
- latest list of participating dealers and market makers;
- full portfolio information of the Sub-Fund (updated on a daily basis);
- the past performance information of other classes of the Sub-Fund offered to Hong Kong investors; and
- composition of distributions (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital), if any, for the last 12 months.

## 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. SFC registration and authorization do not represent a recommendation or endorsement of the Company or the Sub-Fund nor do they guarantee the commercial merits of the Company or the Sub-Fund or its performance. They do not mean the Company or the Sub-Fund is suitable for all investors nor do they represent an endorsement of its suitability for any particular investor or class of investors.