SOUTH OCEAN 南海管理有限公司
MANAGEMENT, LTD.
HONG KONG

April 15, 2022

Dear Clients, Partners, and Friends,

The results for South Ocean Management's Delaware LP, Hong Kong Partners' L.P., before incentive fees, were as follows:

	Mar. 2022	Year-to-date
Hong Kong Partners LP*	-4.6%	-8.0%
Hang Seng Index**	-3.2%	-6.0%
Hang Seng Small Cap Index	-6.9%	-12.2%
MSCI HK Small Cap Index	-5.0%	-7.2%
HS Mid Cap Index	-6.5%	-10.8%

Partners' NAV $2.3783 after management fee and provisions, but before annual incentive fees of 15% on appreciation.
Please refer to footnotes at the end of this commentary for descriptions of the Fund's indexes and Fund risk disclosures.

The start of an interest rate hiking cycle by the Federal Reserve, high inflation and Russia's invasion of Ukraine all contributed to the rough-sledding for stocks last quarter. The Dow and S&P 500 closed down 4.6% and 4.9%, respectively. The Nasdaq, with many smaller cap stocks, lost 9%. Smaller company stocks typically underperform during market corrections but tend to make up for it on subsequent market reversals. South Ocean Management, with long term investment horizons, seeks to own quality, well managed Hong Kong-listed companies in the small/mid capitalization sectors of the market.

For the first quarter, global stock markets were under pressure. Analysts turned negative by mid-March after continuous declines in equity prices.

For instance, JPMorgan (called Chinese Internet stocks 'un-investable', Mar 15), Bank of America ("we remain tactically & cyclically bearish," Mar 15) and HSBC ("We are in uncharted territory as historical valuations are no longer a guide. The fizz is gone. China internet is a 'big market story' which has lost its fizz," Mar 15) all made downbeat prognostications.

Then, what happened on March 15th?

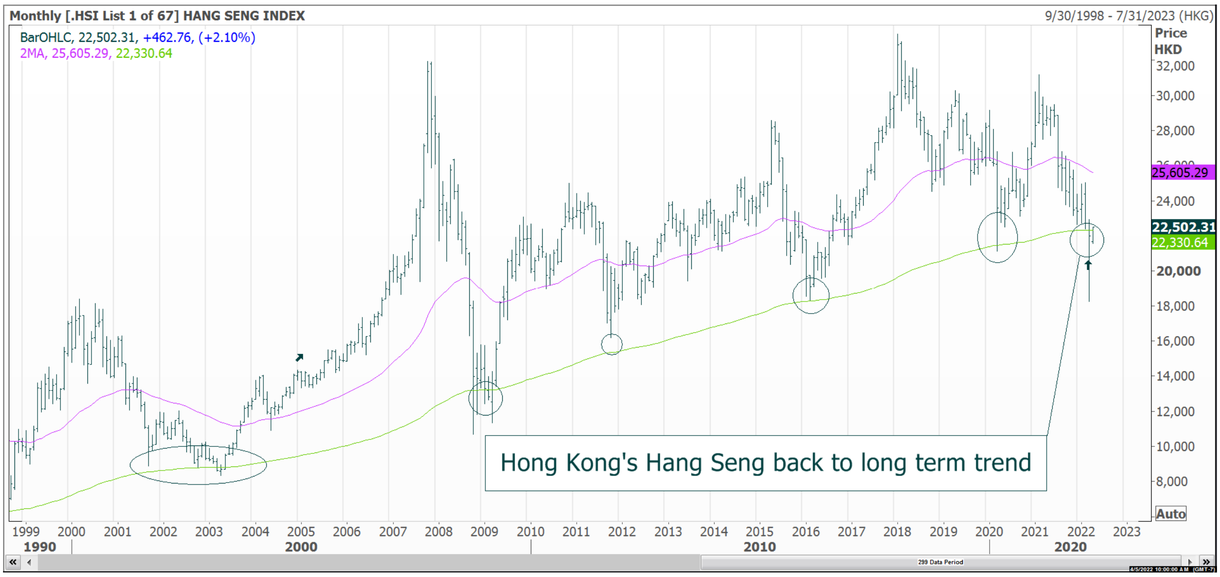
The Hang Seng Index sank to a 10-year low last month as seen in the following chart:

Investors capitulated in March, sending the Hang Seng Index sharply lower, down 19.7% for the month and minus 22.0% for the year (through March 15).

We remained steadfast during the market meltdown, actually adding to positions with sidelined cash. Hong Kong stocks were massively undervalued before the rout, as we noted in last month's client letter:

S&P 500 COMPOSITE		28-Feb-22		HANG SENG			
Index Price:	4,384.65			Index Price:	22,767.18		
		2021 Est	2022 Est			2021 Est	2022 Est
Price/ EPS		20.1	18.2	Price/ EPS		11.8	10.6
Price/ Cash flow		15.7	14.2	Price/ Cash flow		8.4	7.5
Dividend Yield		1.4	1.6	Dividend Yield		2.8	3.1
Price/ Book		4.1	3.8	Price/ Book		1.2	1.1
Price/ Sales		2.5	2.4	Price/ Sales		1.1	1.0
Price/ EBITDA		12.5	11.6	Price/ EBITDA		7.7	7.1
EV/EBITDA		12.6	11.6	EV/EBITDA		6.5	5.7

We were not drawn into the panic selling as our wider perspective saved us from following the frightened, stampeding herd. Knowing what we owned certainly facilitated in making that reasoned judgement, which, in retrospect, has been correct:



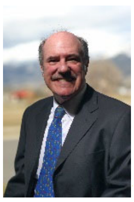
Selling at the bottom of the market last month would have been a cardinal sin.

Hong Kong stock prices are the cheapest today of any global developed market. And after the onslaught of capitulation selling, we believe Hong Kong stocks could straightforwardly rise 30% by year-end. One catalyst might be if China's policy makers decide to stimulate the economy.

Our fully invested portfolios are well positioned, with exposure in upstream, deep value China SOE H-shares, in areas such as mining, materials, commodities (i.e. energy) and port logistics (i.e. supply chain). These sectors are experiencing soaring profits today.

Washed out markets, such as Hong Kong, are rare. We continue to believe the objective of owning fast growing, intrinsically cheap, value-oriented small/mid capitalized stocks is the most rewarding long-term strategy. Thank you for your joining alongside our own investment in South Ocean's investment fund, Hong Kong Partners LP. Please let me know if you have any questions.

Yours Faithfully,



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"Our proprietary investing systems, developed since the early 1990s, capture growth in China, the fastest growing large economy on earth, by owning intrinsically undervalued Hong Kong-listed companies."

South Ocean Management, Ltd. is a fund management company based in Hong Kong. South Ocean has 6 team members and is registered with the SFC and SEC regulators.

*Hong Kong Partners LP risk disclaimer:

- Hong Kong Partners LP (The "Fund") primarily invests in the Hong Kong equity market with a Greater China focus.
- The Fund invests in China-related companies which involve certain risks not typically associated with investment in more developed markets, such as greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund is also subject to concentration risk due to its concentration in Hong Kong, particularly China-related companies. The value of the Fund can be extremely volatile and could go down substantially within a short period of time. It is possible that a substantial value of your investment could be lost.
- You should not make investment decision on the basis of this material alone. Please read the explanatory private placement memorandum for details and risk factors.

**Index Descriptions: The Hang Seng Indexes are a widely recognized capitalization-weighted indexes that measures the performance of the three largest-capitalization sectors of the Hong Kong stock market in descending order. The Hang Seng Index measures the largest 52 market capitalized listed companies in Hong Kong's stock market. The Hang Seng Mid Cap Index represents the next 193 largest capitalized listed companies, the Hang Seng Small Cap Index represents the next 187 largest capitalized listed companies in Hong Kong.

The MSCI HK Small Cap Index is a free float-adjusted market cap weighted index designed to measure the performance of small cap equity securities in the bottom 15% of equity market capitalization in Hong Kong. With 69 constituents, the index represents approximately 14% of the free float-adjusted market capitalization of the Hong Kong equity universe.

The Hong Kong Partners LP (HKP) is benchmark agnostic and its corresponding portfolio may have significant noncorrelation to any index. The portfolios may invest in all sectors (within and/or on other stock markets) and the composition of securities in the portfolio may change periodically depending on market conditions at the time. Securities in the portfolio will not match those in any index.

The S&P 500 Index is a market capitalization- weighted index of 500 widely held stocks often used as a proxy for the stock market. It measures the movement of the largest issues. Standard and Poor's chooses the member companies for the 500 based on market size, liquidity, and industry group representation. Included are the stocks of industrial, financial, utility, and transportation companies.

Index returns are generally provided as an overall market indicator. You cannot invest directly in an index. Although reinvestment of dividend and interest payments is assumed, no expenses are netted against an index's returns. Index performance information was furnished by sources deemed reliable and is believed to be accurate, however, no warranty or representation is made as to the accuracy thereof and the information is subject to correction.

Before investing you should carefully consider the Partnership's investment objectives, risks, charges and expenses. This and other information are in the prospectus, a copy for Accredited Investors may be obtained by inquiring to info@south-ocean.com. Please read the prospectus carefully before you invest.

The principal risks of investing in HKP: Equity Securities Risk. The value of the equity securities the Fund holds may fall due to general market and economic conditions. Foreign Securities Risk. Investments in the securities of foreign issuers involve risks beyond those associated with investments in U.S. securities. Industrials Sector Risk. Companies in the industrials sector may be adversely affected by changes in government regulation, world events, economic conditions, environmental damages, product liability claims and exchange rates. Consumer Discretionary Risk. Companies in this sector may be adversely impacted by changes in domestic/international economies, exchange/interest rates, social trends and consumer preferences. Information Technology Sector Risk. Information technology companies face intense competition, both domestically and internationally, which may have an adverse effect on profit margins. Detailed information regarding the specific risks of Hong Kong Partners LP can be found in the prospectus. Additional risks of investing in HKP include equity, market, management and non-diversification risks, as well as fluctuations in market value and NAV. An investment in a private limited partnership is subject to risks and you can lose money on your investment in the limited partnership.

There can be no assurance that HKP will achieve its investment objective. The LP's portfolio is more volatile than broad market averages. Shares of HKP cannot be bought or sold publicly, there is no active market in the Units and there are restrictions imposed on Limited Partnership unit transfers. Partnership redemptions are handled by Authorized Administrators of the Partnership.