BEA Union Investment

China A-Share Equity Fund

As at 29 May 2020

- BEA Union Investment China A-Share Equity Fund (the "Fund") invests in emerging markets may be subject to higher liquidity and volatility risks.
- The Fund will invest at least 70% of its net asset value in China A-Shares, primarily through a QFII which is subject to restrictions under QFII regulations and such change may take restrospective effect. These factors may adversely affect the liquidity and the value of the Fund. In addition to the use of the QFII quotas, direct exposure to certain eligible China A-Shares can be achieved via the Stock Connects, which is subject to quota limitations. Where a suspension in the trading through the Stock Connects is effected, the Fund's ability to achieve its investment objective could be negatively affected.
- The Fund's investments are concentrated in China and may be subject to high concentration risk and more volatility than that of funds having a more diverse portfolio of investment. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the China market.
- The Fund may be subject to the risks associated with changes in the China laws and regulations, including PRC tax laws, and such changes may have retrospective effect and adversely impact the Fund. The manager currently intends to make provisions for any PRC taxes payable by the Fund on dividends derived from PRC Equity Securities (including China A-Shares acquired through the Stock Connects), at a rate of 10%, if the relevant tax is not withheld at source. Any shortfall between the provision and actual tax liabilities will be debited from the Fund's assets, and the Fund's assets value will be adversely affected.
- In terms of currency hedged class units, adverse exchange rate fluctuations between the base currency of the Fund and the class currency of the currency hedged class units may result in a decrease in return and/or loss of capital for unitholders. Over-hedged or under-hedged positions may arise and there can be no assurance that the currency hedged class units will be hedged at all times or that the manager will be successful in employing the hedge.
- The Fund may invest in the SME board and/or the ChiNext board of the Shenzhen Stock Exchange and/or the STAR board of the Shanghai Stock Exchange. Such investments may result in significant losses due to additional risks including higher fluctuation on stock prices, over-valuation risk, delisting risk and risk associated with less stringent listing rules when compared to those of the main board.
- The Fund may acquire financial derivative instruments for hedging and investment purposes. Given the leverage effect embedded in financial derivative instruments, the Fund may be exposed to significant losses.
- RMB is currently not a freely convertible currency as it is subject to exchange control s and restrictions. Non-RMB based (e.g. Hong Kong) investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example HKD) will not depreciate. Any depreciation of the RMB could adversely affect the value of investors' investments.
- Investors should not make an investment decision based solely on this material.

Retail Hotline: (852) 3608 0321
www.bea-union-investment.com

★★★★
Morningstar Overall Rating[1]

OBJECTIVE

The Fund seeks to achieve long-term capital growth by investing primarily in a diversified portfolio of securities of companies which have their principal place of business or key assets located in China or which derive a substantial part of their revenue from China.

FUND STRATEGIES

- Combine top-down macro-economic analysis for sector allocation and bottom-up securities selection
- At least 70% in China A-shares listed on Mainland China
- Maximum 30% in other securities, including China B-shares and China H-shares

FUND DETAILS

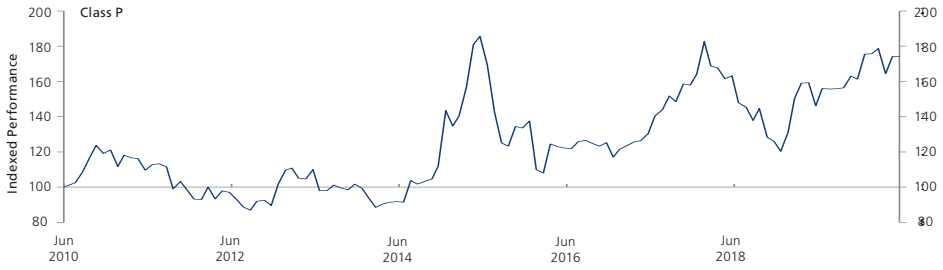
Base Currency	US$
NAV per Unit	Class A — US$14.27 Class P — US$17.33
Launch Date	Class A — 17 Dec 2010 Class P — 8 Jun 2010
Management Fee	1.75% p.a.
Preliminary Charge	Up to 5.00%
Realisation Charge	Class A — Currently waived Class P — Nil
Dealing Frequency	Daily (HK & PRC business days)
Fund Size	US$27.3million

CODES

	ISIN	Bloomberg
Class A	HK0000074176	BEAUICA HK
Class P	HK0000076130	BEAUICP HK

PERFORMANCE[2]

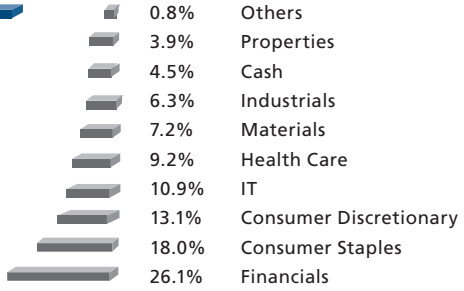
	Cumulative Performance %					Calendar Year Performance %				
	YTD	1 Year	3 Years	5 Years	Since Launch	2019	2018	2017	2016	2015
Class A	-0.8	19.2	33.5	-6.2	42.7	45.7	-26.6	40.3	-14.9	-4.3
Class P	-0.7	19.2	33.5	-6.2	73.6[3]	45.7	-26.6	40.2	-14.9	-4.2



GEOGRAPHICAL ALLOCATION BY LISTING



SECTOR ALLOCATION



TOP HOLDINGS

	Sector	Weights
Kweichow Moutai	Consumer Staples	8.8%
East Money Information	Financials	5.7%
Industrial Bank	Financials	4.8%
Foshan Haitian Flavouring & Food	Consumer Staples	4.6%
China Merchants Bank	Financials	4.3%

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1. © 2020 Morningstar. All Rights Reserved. Data as of 29 May 2020. The rating is for Class A.
2. With effect from 30 April 2015, the dealing frequency of the Fund has changed from monthly to daily. Performance involving any dates before 30 April 2015 is calculated using the month-end indicative price. Performance data derived using these parameters may differ from that based on the monthly Fund valuation as at the close of the dealing day, i.e. the third Friday of each calendar month (or the immediately following Hong Kong and PRC business day if the third Friday did not fall on such a date).
3. Class P was launched on 8 June 2010. Since launch performance of Class P is calculated from 11 June 2010 when the conversion of fund assets from USD into RMB was completed.

Source: BEA Union Investment Management Limited

Performance is calculated in USD on a NAV to NAV basis. Gross income is re-invested.

Investments in the Fund are subject to investment risks, including the possible loss of the principal amount invested. For full details and risk factors of the Fund, please refer to the explanatory memorandum of the Fund. Investors should also read the explanatory memorandum of the Fund for detailed information prior to any subscription. The information contained herein is only a brief introduction to the Fund. Investors should be aware that the price of units may go down as well as up as the investments of the Fund are subject to market fluctuations and to the risks inherent in all investments. Past performance is not indicative of future performance. The Fund has been authorised by the Securities and Futures Commission ("SFC") in Hong Kong. SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. Only Class A and Class B have been authorised for sale to the retail public in Hong Kong. Class I and Class P are only available to professional investors (as defined in the Securities and Futures Ordinance) on a private placement basis. However, such authorisation does not imply official recommendation of the Fund. This material has not been reviewed by the SFC in Hong Kong.

Issuer: BEA Union Investment Management Limited