11 November 2019

This statement provides you with key information about this product.
This statement is a part of the offering document.
You should not invest in this product based on this statement alone.

Quick facts

Manager:	BEA Union Investment Management Limited
Trustee:	Bank of East Asia (Trustees) Limited
Ongoing charges over a year:	Class A USD, Class A HKD and Class A RMB (Hedged) Units: 2.21% p.a.^ Class A AUD (Hedged), Class A CAD (Hedged), Class A GBP (Hedged) and Class A NZD (Hedged) Units: 2.21% p.a.*
Dealing frequency:	Daily (Hong Kong business days)
Base currency:	US$
Dividend policy:	No dividends will be declared or distributed
Financial year end of this sub-fund:	31 December
Minimum investment:	Class A USD Units: US$2,000 initial, US$1,000 additional Class A HKD Units: HK$10,000 initial, HK$5,000 additional Class A AUD (Hedged), Class A CAD (Hedged), Class A GBP (Hedged), Class A NZD (Hedged) and Class A RMB (Hedged) Units: US$2,000 initial (or its equivalent), US$1,000 additional (or its equivalent)

^ This figure is based on the ongoing expenses for the period ended 31 December 2018 and may vary from year to year.

* This figure is an estimate only and may vary from year to year. The figure is calculated based on the estimated ongoing expenses chargeable to the sub-fund expressed as a percentage of the sub-fund's estimated average net asset value.

What is this product?

BEA Union Investment China Phoenix Fund (the "Sub-Fund") is a sub-fund of BEA Union Investment Series (the "Fund"), which is a unit trust established as an umbrella fund under the laws of Hong Kong.

Objective and Investment Strategy

Objective

The investment objective of the Sub-Fund is to seek long-term capital appreciation through investing primarily (i.e. at least 70% of its Net Asset Value) in equity securities that are either (a) traded in Hong Kong or China, or (b) issued by entities incorporated in China or entities which have significant operations in or assets in, or derive significant portion of revenue or profits from China. For the remaining assets, the Manager has the freedom to invest outside Sub-Fund's principal geographies, market sectors, industries or asset classes.

Strategy

The Sub-Fund shall invest at least 70% of its total assets in equity securities. The securities that may be invested by the Sub-Fund will be primarily equity securities and equity linked securities, including common stocks, preferred stocks, warrants, equity deposits, equity linked notes, debt securities convertible into common stocks and managed funds. The Sub-Fund may invest in equity securities of companies of any industry and any market capitalisation. The Sub-Fund may also invest less than 30% of its Net Asset Value in equity funds (in compliance with 7.11 to 7.11D of the Code) for purposes consistent with the investment objective of the Sub-Fund. The Sub-Fund will focus on active management by stock selection, timing, management of exposure and sector allocation.

The Sub-Fund may invest up to 100% of its assets in China A-Shares and/or China B-Shares directly (e.g. via the Stock Connects (as further described in Annex A of the Explanatory Memorandum)) or indirectly (i.e. investing in funds that invest in China A-Shares and/or China B-Shares).

In normal market conditions, the Sub-Fund may also hold less than 30% of its Net Asset Value in cash or cash equivalents. Under exceptional circumstances (e.g. market crash or major crisis), this percentage may be temporarily increased to up to 100% for cash flow management.

The Manager currently does not intend to enter into any securities financing transactions on behalf of the Sub-Fund.

The Sub-Fund may acquire financial derivative instruments for hedging and investment purposes.

Use of derivatives / investment in derivatives

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

What are the key risks?

Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.

1. Investment risk

- The Sub-Fund's investment portfolio may fall in value and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.

2. 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.

3. Concentration risk / China market risk

- The Sub-Fund's investments are concentrated in China. 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 China market.
- The Sub-Fund's investments in equity interests of Chinese companies may include China B-Shares. As the number of these securities and their total market value are relatively small compared to more developed markets, investments in these securities may be subject to increased price volatility and lower liquidity.

4. Risks associated with Stock Connects

- The relevant rules and regulations on Stock Connects are subject to change which may have potential retrospective effect. The programme is subject to quota limitations. Where a suspension in the trading through the Stock Connects is effected, the Sub-Fund's ability to invest in China A-Shares or access the PRC market through the programme will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.

5. China tax risk

- There are risks and uncertainties associated with the current Chinese tax laws, regulations and practice (which may have retrospective effect). Any increased tax liabilities on the Sub-Fund may adversely affect the Sub-Fund's value.

- The Manager currently does not intend to withhold any amount of realised and/or unrealised capital gains on investments in China A-Shares.

- The Manager currently intends to make provisions for any PRC taxes payable by the Sub-Fund on dividends derived from PRC equity securities (including China A-Shares acquired through the Stock Connects), at a rate of 10% (or as otherwise advised by the Sub-Fund's tax adviser), if the relevant WIT is not withheld at source. 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 asset value. The actual tax liabilities may be lower than the tax provision made. 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).

6. Emerging market risk

- The Sub-Fund invests in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.

7. Currency risk

- Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund, i.e. US dollars. Also, a class of Units may be designated in a currency other than the base currency of the Sub-Fund. The net asset value of the Sub-Fund may be affected unfavourably by fluctuations in the exchange rate between these currencies and US dollars and by changes in exchange rate controls.

8. Derivative risk

- 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 can result in a loss significantly greater than the amount invested in the derivative instrument by the Sub-Fund. Exposure to derivative instruments may lead to a higher risk of significant loss by the Sub-Fund.

- The Sub-Fund may use derivative instruments for hedging purposes which may not achieve the intended purpose. In an adverse situation, the Sub-Fund's use of derivative instruments may become ineffective in achieving hedging and may result in significant losses.

9. Currency hedging risk

- Adverse exchange rate fluctuations between the base currency of the Sub-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 these currency hedged class units will be hedged at all times or that the Manager will be successful in employing the hedge.

- The costs of the hedging transactions will be reflected in the net asset value of the currency hedged class units and therefore, an investor of such currency hedged class units will have to bear the associated hedging costs, which may be significant depending on prevailing market conditions.

- If the counterparties of the instruments used for hedging purpose default, investors of the currency hedged class units may be exposed to currency exchange risk on an unhedged basis and may therefore suffer further losses.

- While hedging strategies may protect investors in the currency hedged class units against a decrease in the value of the Sub-Fund's base currency relative to the class currency of the currency hedged class units, it may also preclude investors from benefiting from an increase in the value of the Sub-Fund's base currency.

10. RMB currency and conversion risks

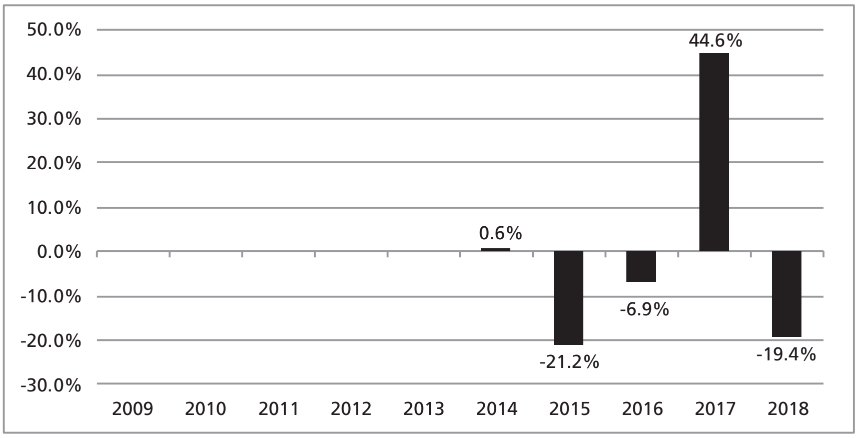
- RMB is currently not freely convertible and is subject to exchange controls and restrictions.

- 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 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.

How has the Sub-Fund performed?



- 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.

- These figures show by how much Class A Units 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.

- Where no past performance is shown there was insufficient data available in that year to provide performance.

- Sub-Fund / Class A Units launch date: 2013

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?

References to Class A Units include Class A USD, Class A HKD, Class A AUD (Hedged), Class A CAD (Hedged), Class A GBP (Hedged), Class A NZD (Hedged) and Class A RMB (Hedged) Units.

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 (Preliminary Charge)	Class A Units: up to 5% of issue price
Switching fee (Conversion Charge)	Up to 2% of issue price of new units
Redemption fee (Realisation Charge)	Class A Units: 0.5% of realisation price; but currently waived

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 (as a % of the Sub-Fund's value)
Management Fee	Class A Units: 1.75% p.a.*
Trustee Fee	0.175% p.a.*
Performance Fee	N/A
Administration Fee	N/A
Registrar's Fee	0.015% – 0.05% p.a. subject to minimum of US$3,000 p.a.
Holders Servicing Fee	Class A Units: Nil*

Other fees

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

* You should note that these fees may be increased, up to a specified permitted maximum, by giving unitholders at least one month's prior notice. For details, please refer to the Explanatory Memorandum.

Additional Information

- You generally buy, redeem and switch units at the Sub-Fund's next-determined net asset value (NAV) after Authorised Distributor receives your request in good order on or before 4:00 p.m. (Hong Kong time) on a Dealing Day. The Authorised Distributor(s) may impose an earlier cut-off time before the dealing deadline for receiving instructions for subscriptions, realisations or conversions. Investors should confirm the arrangements with the Authorised Distributor(s) concerned.

- The net asset value of the Sub-Fund is calculated on each Dealing Day, and the price of units is published on the Manager's website: www.bea-union-investment.com (this website has not been reviewed or authorised by the SFC).

- Investors may obtain information on BEA Union Investment Management Limited from the following website: www.bea-union-investment.com.

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.