

Annual Report (Audited)

For the year ended 31 December 2019

BEA Union Investment Capital Growth Fund

BEA Union Investment Asia Strategic Growth Fund

BEA Union Investment Global Bond Fund

BEA Union Investment Hong Kong Growth Fund

BEA Union Investment Greater China Growth Fund

BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund

BEA Union Investment Global Equity Fund

BEA Union Investment Asia Pacific Investment Grade Bond Fund

BEA Union Investment Core Accumulation Fund*

BEA Union Investment Age 65 Plus Fund*

BEA Union Investment Money Market Fund*

(*Not available to Hong Kong retail investors)

BEA UNION INVESTMENT CAPITAL GROWTH FUND

YEAR ENDED 31 DECEMBER 2019

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MANAGEMENT AND ADMINISTRATION

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BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019

TRUSTEE'S COMMENTARY

BEA UNION INVESTMENT ASIA STRATEGIC GROWTH FUND

Analysis of the investments

The fund recorded a positive return in 2019 and outperformed its peer group average (Asia ex Japan Equity as classified by Morningstar).

Trustee's commentary

Asian equities generally underperformed developed markets in 2019. China's equity market was outperformed, it was mainly due to lower geopolitical risk, policy easing and stabilising manufacturing sector. The resumption of central banks' balance sheet expansion and relatively muted inflation environment will favour liquidity conditions and asset prices.

Both Chinese onshore and offshore equity market posted a strong gain in 2019. The key driver was the positive outcome of trade negotiation between the U.S and China following the G20 Summit held in June. Despite the macro data in China remained soft, policies have thus far remained supportive to growth.

BEA UNION INVESTMENT GLOBAL BOND FUND

Analysis of the investments

The fund recorded a positive return in 2019 but underperformed its peer group average (Global Bond as classified by Morningstar).

Trustee's commentary

In December, the U.S. Treasury yields were higher compared to the previous month due to phase one trade deal between the U.S. and China, and continued expectation on rate cut pause.

While the major central banks keep a dovish stance on monetary policy, they tend to hold launching new easing measures in the near term, which may limit the downside of the bond yields. Meanwhile, the direction of global government bond markets is still subject to overall market sentiment, in particular the development of trade talks and geo-political situation in the Middle East.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

TRUSTEE'S COMMENTARY (CONTINUED)

BEA UNION INVESTMENT HONG KONG GROWTH FUND

Analysis of the investments

The fund recorded a positive return in 2019 but underperformed its peer group average (Hong Kong Equity as classified by Morningstar).

Trustee's commentary

Hong Kong equity market gained in 2019 but underperformed the onshore Chinese equity markets. The key driver was the positive outcome of trade negotiation between the U.S. and China following the G20 Summit held in June.

We remain constructive towards Hong Kong equities in the near term due to positive development on trade negotiations, more accommodative policies and reasonable valuations. We expect the Chinese government will refocus on structural reforms following the phase one trade deal with the U.S.

BEA UNION INVESTMENT GREATER CHINA GROWTH FUND

Analysis of the investments

The fund recorded a positive return in 2019 but underperformed its peer group average (Greater China Equity as classified by Morningstar).

Trustee's commentary

Both Chinese onshore and offshore equity market posted a strong gain in 2019. The key driver was the positive outcome of trade negotiation between the U.S and China following the G20 Summit held in June. Despite the macro data in China remained soft, policies have thus far remained supportive to growth. Three key benchmark rates, namely the one-year medium-term lending facility rate (MLF), loan prime rate and 7-days reverse repo rate, were cut in November. The Ministry of Finance pre-approved the special bond issuance of RMB1 trillion is expected to boost investment growth in the first half of 2020.

Given the more accommodative monetary policy environment, we expect improvement in corporate confidence level and pick up in private investment and profitability.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

TRUSTEE'S COMMENTARY (CONTINUED)

BEA UNION INVESTMENT HONG KONG DOLLAR (HK\$) BOND FUND

Analysis of the investments

The fund recorded a positive return in 2019 and outperformed its peer group average (HKD Bond as classified by Morningstar).

Trustee's commentary

Hong Kong dollar traded stronger against the U.S. dollar in December on the back of increasing funding cost and tightened liquidity due to year-end closing. The Hong Kong Monetary Authority's (HKMA) aggregate balance remained at a low level of HK\$54 billion.

We expect the Hong Kong dollar will continue to be volatile due to tight liquidity and relatively low level of HKMA's aggregate balance. We remain neutral on duration; we overweight U.S. dollar bonds while underweight Hong Kong government bonds.

BEA UNION INVESTMENT GLOBAL EQUITY FUND

Analysis of the investments

The fund recorded a positive return in 2019 and outperformed its peer group average (Global Large-Cap Blend Equity as classified by Morningstar).

Trustee's commentary

The global bourses delivered positive returns in 2019 with the U.S. market being the notable outperformer. Developed markets outperformed generally while emerging markets have started to catch up since the final quarter of 2019.

Monetary policy globally remaining loose and the U.S. business cycle continuing to expand. Markets advanced despite a series of uncertainties surrounding the U.S.-China trade dispute, Brexit and domestic social unrests.

Emerging markets and Asia lagged in 2019 but have started to catch up for being relatively under-owned and attractively priced. The resumption of central banks' balance sheet expansion and relatively muted inflation environment will favour liquidity conditions and asset prices.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

TRUSTEE'S COMMENTARY (CONTINUED)

BEA UNION INVESTMENT ASIA PACIFIC INVESTMENT GRADE BOND FUND

Analysis of the investments

The fund recorded a positive return in 2019 and outperformed its peer group average (Asia Bond as classified by Morningstar).

Trustee's commentary

In December, the U.S. Treasury yields were higher compared to the previous month due to phase one trade deal between the U.S. and China, and continued expectation on rate cut pause.

The credit spreads of Asian investment grade bonds tightened due to thin liquidity in the market. We expect credit spreads to be range-bound given the tight valuation of bonds and potential supply of new issuance. Despite market activity of Asian investment grade bonds has slowed down, buying interest from investors remained strong given the abundant cash in the market.

BEA UNION INVESTMENT CORE ACCUMULATION FUND

Analysis of the investments

The fund recorded a positive return in 2019 and outperformed its peer group average (USD Moderate Allocation as classified by Morningstar).

Trustee's commentary

The global bourses delivered positive returns in 2019 with the U.S. market being the notable outperformer. Developed markets outperformed generally while emerging markets have started to catch up since the final quarter of 2019.

Monetary policy globally remaining loose and the U.S. business cycle continuing to expand. Markets advanced despite a series of uncertainties surrounding the U.S.-China trade dispute, Brexit and domestic social unrests.

Emerging markets and Asia lagged in 2019 but have started to catch up for being relatively under-owned and attractively priced. The resumption of central banks' balance sheet expansion and relatively muted inflation environment will favour liquidity conditions and asset prices.

While the major central banks keep a dovish stance on monetary policy, they tend to hold launching new easing measures in near term, which may limit the downside of the bond yields. Meanwhile, the direction of global government bond markets is still subject to overall market sentiment, in particular the development of trade talks and geo-political situation in the Middle East.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

TRUSTEE'S COMMENTARY (CONTINUED)

BEA UNION INVESTMENT AGE 65 PLUS FUND

Analysis of the investments

The fund recorded a positive return in 2019 and outperformed its peer group average (USD Cautious Allocation as classified by Morningstar).

Trustee's commentary

The global bourses delivered positive returns in 2019 with the U.S. market being the notable outperformer. Developed markets outperformed generally while emerging markets have started to catch up since the final quarter of 2019.

Monetary policy globally remaining loose and the U.S. business cycle continuing to expand. Markets advanced despite a series of uncertainties surrounding the U.S.-China trade dispute, Brexit and domestic social unrests.

Emerging markets and Asia lagged in 2019 but have started to catch up for being relative under-owned and attractively priced. The resumption of central banks' balance sheet expansion and relatively muted inflation environment will favour liquidity conditions and asset prices.

While the major central banks keep a dovish stance on monetary policy, they tend to hold launching new easing measures in near term, which may limit the downside of the bond yields. Meanwhile, the direction of global government bond markets is still subject to overall market sentiment, in particular the development of trade talks and geo-political situation in the Middle East.

BEA UNION INVESTMENT MONEY MARKET FUND

Analysis of the investments

The fund recorded a positive return in 2019 and outperformed its peer group average (Money Market – Other as classified by Morningstar).

Trustee's commentary

In December, the credit spreads of Asian investment grade bonds tightened due to thin liquidity in the market. The credit spreads are expected to be range-bound given the tight valuation of bonds and potential supply of new issuance. As accommodative policies from global central banks are expected to continue in the first half of 2020, we become more bullish towards the Asian bond markets.

The Hong Kong dollar traded stronger against the U.S. dollar in December on the back of increasing funding cost and tightened liquidity due to year-end closing. Hong Kong's official foreign currency reserve assets amounted to US\$423.4 billion at the end of December 2019. The Hong Kong dollar is expected to continue volatile due to tight liquidity and relatively low level of HKMA's aggregate balance.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS

BEA Union Investment Capital Growth Fund was established by the Trust Deed dated 22 September 2000, as amended and restated. The Fund offers 10 Sub-funds with different investment policies. The Sub-funds of the Fund are BEA Union Investment Asia Strategic Growth Fund, BEA Union Investment Global Bond Fund, BEA Union Investment Hong Kong Growth Fund, BEA Union Investment Greater China Growth Fund, BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund, BEA Union Investment Global Equity Fund, BEA Union Investment Asia Pacific Investment Grade Bond Fund, BEA Union Investment Core Accumulation Fund, BEA Union Investment Age 65 Plus Fund and BEA Union Investment Money Market Fund.

Separate and distinct investment policies are applied in the investments of each Sub-fund. The respective investment objectives and policies are set out below.

BEA UNION INVESTMENT ASIA STRATEGIC GROWTH FUND

Investment objective

To provide investors with long term capital growth in HK dollar terms through investing in a diversified portfolio primarily consisting of securities (i.e. at least 70% of its net asset value) that are either (a) listed in the Asia Pacific region or (b) issued by companies that are incorporated in the Asia Pacific region or companies which have significant operations in or derive a significant portion of revenue or profits from the Asia Pacific region (including but not limited to Hong Kong, Singapore, Malaysia, Korea, Taiwan, Thailand, Indonesia, the Philippines, India and China but excluding Japan). For the remaining assets, the Manager may at its discretion invest outside the Sub-fund's principal geographical areas, market sectors, industries or asset classes.

Investment policy

The Manager intends to adopt a "top-down" approach to first determine the asset allocation in each country according to the Manager's analysis of the market and economic trends and then then select suitable investments within each country by applying fundamental analysis. Corporate earnings and funds flow analysis will also be an integral part of the investment decision-making process.

The Manager anticipates that the maximum exposure to any one of the Singapore, Malaysia, Korea or Taiwan or China markets will not exceed 50% of the Sub-fund's assets and the maximum to any one of the Thailand, Indonesia, the Philippines and India markets will not exceed 30% of the Sub-Fund's assets.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS (CONTINUED)

BEA UNION INVESTMENT ASIA STRATEGIC GROWTH FUND (CONTINUED)

Investment policy (continued)

At least 60% of the assets of the Sub-fund other than cash or deposits may be invested in equity securities, which may include securities from initial public offering. Up to 10% of the assets of the Sub-fund may be invested in other securities (as permitted under Schedule 1 to the Mandatory Provident Fund Schemes (General) Regulation). The Sub-fund's portfolio may also include cash, deposits, fixed interest securities, instruments with floating interest rates and short-term paper such as Treasury Bills, certificates of deposit, bankers' acceptances and short-term commercial paper. If the Manager considers that conditions so require and it is in the interests of Unitholders to do so, a substantial portion of the portfolio may be held in cash or such instruments.

Subject to the restrictions imposed by the MPF Ordinance, financial futures and options contracts may be entered into for the Sub-fund for hedging purposes to protect and enhance asset value, consistent with the investment objective of the Sub-fund. Currency forward contracts may be used for the purposes of hedging into HK dollars. It is expected the Sub-fund's net derivative exposure would be zero so long as there is no residual derivative exposure arising from such hedging arrangement.

The Manager expects the return of the Sub-fund over the long-term to reflect movements in the stock markets of the Asian region.

BEA UNION INVESTMENT GLOBAL BOND FUND

Investment objective

To provide investors with total investment return over the medium to long term through investing into a diversified range of global bonds denominated in various major currencies (including but not limited to, US dollars, Euro, Pounds Sterling, Japanese Yen and Hong Kong dollars).

Investment policy

The Sub-fund's assets will normally be invested between 20% to 100% in short to long term government bonds and 0% to 80% in short to long term corporate bonds. Investments will be made mainly in the United States, Europe and Asia, but may include other markets. However, the actual allocation may vary as market and other conditions change.

The Sub-fund may invest less than 30% of its net asset value in debt instruments with loss-absorption features including senior non-preferred debt and subordinated debt issued by financial institutions.

Subject to the restrictions imposed by the MPF Ordinance, the Manager and its delegates may acquire financial futures contracts for the Sub-Fund for hedging purposes to reduce risk and enhance asset value, consistent with the investment objective of the Sub-fund. It is expected the Sub-fund's net derivative exposure would be zero so long as there is no residual derivative exposure arising from such hedging arrangement.

The Manager expects the return of the Sub-fund over the long term to reflect movements in the global bond market.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS (CONTINUED)

BEA UNION INVESTMENT HONG KONG GROWTH FUND

Investment objective

To provide investors with long term capital growth in Hong Kong dollar terms through investing in a diversified portfolio consisting primarily of securities of companies (i.e. at least 70% of its net asset value), either listed or with operations or interests principally in Hong Kong. For the remaining assets, the Manager may at its discretion invest outside the Sub-fund's principal geographical areas, market sectors, industries or asset classes.

Investment policy

The Sub-fund's portfolio will consist primarily of Hong Kong listed securities, and may include securities from initial public offering. Up to 100% of the assets of the Sub-fund may be invested in equity securities. Up to 10% of the assets of the Sub-fund may be invested in other securities (as permitted under Schedule 1 to the Mandatory Provident Fund Schemes (General) Regulation). Investments will be selected based on their expected long-term capital growth. The weighting of the portfolio between sectors may change according to economic circumstances.

The Sub-fund's portfolio may also include cash, deposits, fixed interest securities, instruments with floating interest rates and short-term paper such as Treasury Bills, certificates of deposit, bankers' acceptances and short-term commercial paper. If the Manager considers that conditions so require and it is in the interests of Unitholders to do so, a substantial portion of the portfolio may be held in cash or such instruments.

The Manager intends to adopt a "top-down" approach to first determine the sector allocation of the portfolio according to the Manager's analysis of the market and economic trends, and then select suitable investments within each sector.

Subject to the restrictions imposed by the MPF Ordinance, the Manager may acquire financial futures and options contracts for the Sub-fund for hedging purposes to protect and enhance asset value, consistent with the investment objective of the Sub-Fund. It is expected the Sub-fund's net derivative exposure would be zero so long as there is no residual derivative exposure arising from such hedging arrangement.

In addition, at least 30% of the assets of the Sub-fund will be held in Hong Kong dollar currency investments as measured by effective currency exposure (determined in accordance with Schedule 1 of the Mandatory Provident Fund Schemes (General) Regulation).

The Manager expects the Sub-fund's return over the long-term to reflect movements in the Hong Kong stock market.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS (CONTINUED)

BEA UNION INVESTMENT GREATER CHINA GROWTH FUND

Investment objective

To provide investors with long term capital growth through investing in a diversified portfolio primarily consisting of securities (i.e. at least 70% of its net asset value) that are either (a) listed in Greater China or (b) issued by companies that are incorporated in Greater China or companies which have significant operations in or derive a significant portion of revenue or profits from Greater China, which includes the People's Republic of China (PRC), Hong Kong, Macau and Taiwan. For the remaining assets, the Manager may at its discretion invest outside the Sub-Fund's principal geographical areas, market sectors, industries or asset classes.

Investment policy

Normally not less than 70% of the assets of the Sub-fund will be invested directly in equities. Up to 10% of the assets of the Sub-fund may be invested in other securities, including other collective investment schemes, China A-shares (subject to availability of investment quota) and China B-shares. Any remaining assets may be held in cash or cash equivalents. In times of extreme volatility of the markets or during severe adverse market conditions, the Sub-fund may hold a substantial portion of its assets in cash or cash equivalents, or invest in short-term money market instruments to safeguard the investment portfolio of the Sub-fund. In addition, at least 30% of the assets of the Sub-fund will be held in Hong Kong dollar currency investments.

Subject to the restrictions imposed by the MPF Ordinance, the Manager may enter into financial futures and options contracts for the Sub-fund for hedging purposes to reduce risk and protect or enhance asset value, consistent with the investment objective of the Sub-fund. It is expected the Sub-fund's net derivative exposure would be zero so long as there is no residual derivative exposure arising from such hedging arrangement.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS (CONTINUED)

BEA UNION INVESTMENT HONG KONG DOLLAR (HK\$) BOND FUND

Investment objective

To provide investors with long-term capital growth in Hong Kong dollar terms through investing in a portfolio consisting primarily of Hong Kong dollar denominated interest bearing securities. If the Manager considers that conditions so require and it is in the interests of Unitholders to do so, a substantial portion of the portfolio may be held in cash.

Investment policy

The Manager anticipates that a majority of the portfolio will be invested in bonds issued by governments, quasi-governmental organisations, multilateral international agencies and blue chip corporations. Investments in corporate bonds and debentures must meet the minimum required credit ratings as determined by the Mandatory Provident Fund Schemes Authority from time to time or which are otherwise permitted under Schedule 1 to the Mandatory Provident Fund Schemes (General) Regulation. The value of the portfolio's holding of Hong Kong dollar denominated securities shall not be less than 70% of the net asset value of the Sub-fund. For the remaining assets, the Manager may at its discretion invest outside the Sub-fund's principal geographical areas, market sectors, industries or asset classes.

The Sub-fund may invest less than 30% of its net asset value in debt instruments with loss-absorption features including senior non-preferred debt and subordinated debt issued by financial institutions.

Subject to the restrictions imposed by the MPF Ordinance, the Manager may acquire financial futures contracts for the Sub-fund for hedging purposes to protect and enhance asset value, consistent with the investment objective of the Sub-fund. It is expected the Sub-fund's net derivative exposure would be zero so long as there is no residual derivative exposure arising from such hedging arrangement.

In addition, at least 30% of the assets of the Sub-fund will be held in Hong Kong dollar currency investments as measured by effective currency exposure (determined in accordance with Schedule 1 of the Mandatory Provident Fund Schemes (General) Regulation).

The Manager expects the return of the Sub-fund over the long-term to exceed the Hong Kong inflation rate.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND

Investment objective

To provide investors with long-term capital growth through investing in a diversified global portfolio.

Investment policy

The Sub-fund's portfolio will primarily consist of global equity securities, including but not limited to common stocks, preferred stocks, American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs"), International Depositary Receipts ("IDRs"), approved Exchange Traded Funds ("ETFs"), warrants, or debt securities convertible into common or preferred stocks, or ADRs, GDRs or IDRs, to the extent permitted under Schedule 1 of the Mandatory Provident Fund Schemes (General) Regulation.

In managing the asset allocation of the portfolio, the Manager will from time to time make reference to the geographic allocation by one or more global stock market indices. As an indication, the geographic allocation of the Sub-fund is expected to be:

– United States	0% – 65%
– Europe	0% – 40%
– Others	0% – 50%

Please note that the above figures are for indicative purposes only. The actual allocation of the Sub-fund's portfolio between countries and regions may vary from time to time and may be different from that as shown above according to the Manager's perception of prevailing and anticipated global market conditions and will be decided on the basis of the Manager's macro-economic analysis of the global markets and economic growth, inflation and interest rate trends.

Normally not less than 70% of the Sub-fund's assets will be invested in equities. For the remaining assets, the Manager may at its discretion invest outside the Sub-fund's principal market sectors, industries or asset classes. Up to 10% of the assets of the Sub-fund may be invested in other securities (as permitted under Schedule 1 to the Mandatory Provident Fund Schemes (General) Regulation). Any remaining assets may be held in money market instruments, cash or cash equivalents. In times of extreme volatility of the markets or during severe adverse market conditions, the Sub-fund may hold a substantial portion of its assets in money market instruments, cash or cash equivalents to safeguard the investment portfolio of the Sub-fund.

Subject to the restrictions imposed by the MPF Ordinance, the Manager may enter into financial futures, options and currency forward contracts for the Sub-fund for hedging purposes to reduce risk and protect asset value, consistent with the investment objective of the Sub-fund. It is expected the Sub-fund's net derivative exposure would be zero so long as there is no residual derivative exposure arising from such hedging arrangement.

In addition, at least 30% of the assets of the Sub-fund will be held in Hong Kong dollar currency investments as measured by effective currency exposure (determined in accordance with Schedule 1 of the Mandatory Provident Fund Schemes (General) Regulation).

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS (CONTINUED)

BEA UNION INVESTMENT ASIA PACIFIC INVESTMENT GRADE BOND FUND

Investment objective

To provide total investment return over the medium to long term through investing in Asia Pacific investment grade bonds.

Investment policy

The Sub-fund's portfolio will primarily (at least 70% of its net asset value) consist of bonds, denominated in various Asian or major global currencies (e.g. USD), which are of investment grade and issued by Asia Pacific government or corporate entities. "Investment grade" for this purpose means a credit rating that satisfies the criteria prescribed by the Mandatory Provident Fund Schemes Authority (the "Authority") from time to time. The investments of the Sub-fund may include (but are not limited to): fixed and floating rate bonds, zero coupon and discount bonds and commercial paper.

The Asia Pacific countries or regions which the Sub-fund may invest in include, but are not limited to, Australia, Hong Kong, China, Korea, Malaysia, New Zealand, Singapore and Thailand. The Sub-fund may obtain exposure to the China bond markets through investment in offshore Renminbi denominated debt securities or other securities issued or distributed outside mainland China, e.g. offshore RMB bonds issued in Hong Kong. It does not invest in debt securities or other securities issued or distributed within mainland China.

Normally no more than 30% of the Sub-fund's assets will be invested in other bonds, denominated in various major currencies (e.g. USD), (a) which are either of investment grade but not issued by Asia Pacific government or corporate entities including, but not limited to, members of the European Union (with a minimum credit rating equivalent to BBB- by Standard and Poor's), Canada, the United States, the United Kingdom, Mexico, Russia, Brazil and Qatar, or (b) which are otherwise permitted under Schedule 1 to the Mandatory Provident Fund Schemes (General) Regulation. Investments in bonds issued by non-Asia Pacific issuers may be made to (i) manage downside risks (e.g. during times of volatility of the Asian bond market) or (ii) achieve additional investment returns by allocating assets into such bonds where the Manager considers they are attractive on a risk/return basis or (iii) benefit from diversification of the portfolio of investments.

The Sub-fund may also invest no more than 30% of its assets in money market instruments, cash or cash equivalents. In times of extreme volatility of the markets or during severe adverse market conditions, the Sub-fund may hold a substantial portion of its assets in money market instruments, cash or cash equivalents to safeguard the investment portfolio of the Sub-fund.

The target asset allocation is as follows (which may be varied within the ranges according to changing market conditions):

	Minimum (% of net asset value)	Maximum (% of net asset value)
By asset type		
– Debt securities	70%	100%
– Money market instruments/Cash and cash equivalents	0%	30%
By geographical allocation		
– Asia Pacific	70%	100%
– Non-Asia Pacific	0%	30%

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS (CONTINUED)

BEA UNION INVESTMENT ASIA PACIFIC INVESTMENT GRADE BOND FUND (CONTINUED)

Investment policy (continued)

The Sub-fund may invest less than 30% of its net asset value in debt instruments with loss-absorption features including senior non-preferred debt and subordinated debt issued by financial institutions.

Subject to the restrictions imposed by the MPF Ordinance, the Manager may enter into financial futures, options and currency forward contracts for the Sub-fund for hedging purposes to reduce risk and protect asset value, consistent with the investment objective of the Sub-fund. It is expected the Sub-fund's net derivative exposure would be zero so long as there is no residual derivative exposure arising from such hedging arrangement.

In addition, at least 30% of the assets of the Sub-fund will be held in Hong Kong dollar currency investments as measured by effective currency exposure (determined in accordance with Schedule 1 of the Mandatory Provident Fund Schemes (General) Regulation).

The Sub-fund will not invest in any structured deposits or products, and will not enter into any securities lending, repurchase transactions or other similar transactions.

BEA UNION INVESTMENT CORE ACCUMULATION FUND

Investment objective

To achieve capital growth by investing in a globally diversified manner in two approved pool investment funds, namely the BEA Union Investment Global Equity Fund (which invests in a diversified global equity portfolio) and the BEA Union Investment Global Bond Fund (which invests in a diversified global bond portfolio) (the "Underlying Funds"), both existing Investment Funds under the fund.

Investment policy

The Sub-fund aims to achieve the asset allocation requirements applicable to a "Core Accumulation Fund" (as defined in the MPF Ordinance). Subject to the discretion of the Manager and through an active asset allocation strategy investing in the Underlying Funds (which in turn adopt relevant active investment strategy in selecting particular global equities or global bonds), the Sub-fund will invest around 60% of its net asset value in higher risk assets*, with the remainder investing in lower risk assets#. The asset allocation to higher risk assets may vary between 55% and 65% due to differing price movements of various equity and bond markets. The Manager will from time to time rebalance the allocation between the two Underlying Funds, such that so far as practicable the asset allocation of the Sub-fund will be as follows:

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS (CONTINUED)

BEA UNION INVESTMENT CORE ACCUMULATION FUND (CONTINUED)

Investment policy (continued)

The asset allocation is as follows:

	Minimum (% of net asset value)	Maximum (% of net asset value)
Higher risk assets* (such as global equities)	55%	65%
<i>* means such investment instruments which are identified as "higher risk assets" in the relevant guidelines issued by the Authority</i>		
Lower risk assets# (such as global bonds, cash and money market instruments)	35%	45%

The Sub-fund's holding in cash and bank deposits will be for ancillary purposes, such as for meeting redemption requests or defraying operating expenses, or for reducing market exposure.

Subject to the restrictions imposed by the MPF Ordinance, the Manager may enter into currency forward contracts, financial future and options contracts for the Sub-fund for hedging purposes to reduce risk and protect asset value, consistent with the investment objective of the Sub-fund.

In addition, at least 30% of the assets of the Sub-fund will be held in Hong Kong dollar currency investments as measured by effective currency exposure (determined in accordance with Schedule 1 of the Mandatory Provident Fund Schemes (General) Regulation).

The Sub-fund will not invest in any structured deposits or products, and will not enter into any securities lending, repurchase transactions or other similar transactions.

The Manager expects the return of the Sub-fund over the long-term to reflect movements between the global equity market and global bond market, with an emphasis on the asset allocation applicable to the Core Accumulation Fund, targeting to outperform the relevant MPF industry developed reference portfolio which is published by the Hong Kong Investment Funds Association and to provide a common reference point for the performance and asset allocation of the Sub-fund.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS (CONTINUED)

BEA UNION INVESTMENT AGE 65 PLUS FUND

Investment objective

To achieve stable growth by investing in a globally diversified manner in two approved pool investment funds, namely the BEA Union Investment Global Equity Fund (which invests in a diversified global equity portfolio) and the BEA Union Investment Global Bond Fund (which invests in a diversified global bond portfolio) (the "Underlying Funds"), both existing Investment Funds under the fund.

Investment policy

The Sub-fund aims to achieve the asset allocation requirements applicable to an "Age 65 Plus Fund" (as defined in the MPF Ordinance). Subject to the discretion of the Manager and through an active asset allocation strategy investing in the Underlying Funds (which in turn adopt relevant active investment strategy in selecting particular global equities or global bonds), the Sub-fund will invest around 20% of its net asset value in higher risk assets* and, with the remainder investing in lower risk assets#. The asset allocation to higher risk assets may vary between 15% and 25% due to differing price movements of various equity and bond markets. The Manager will from time to time rebalance the allocation between the two Underlying Funds, such that so far as practicable the asset allocation of the Sub-fund will be as follows:

The asset allocation is as follows:

	Minimum (% of net asset value)	Maximum (% of net asset value)
Higher risk assets* (such as global equities)	15%	25%
<i>* means such investment instruments which are identified as "higher risk assets" in the relevant guidelines issued by the Authority</i>		
Lower risk assets# (such as global bonds, cash and money market instruments)	75%	85%

The Sub-fund's holding in cash and bank deposits will be for ancillary purposes, such as for meeting redemption requests or defraying operating expenses, or for reducing market exposure.

Subject to the restrictions imposed by the MPF Ordinance, the Manager may enter into currency forward contracts, financial future and options contracts for the Sub-fund for hedging purposes to reduce risk and protect asset value, consistent with the investment objective of the Sub-fund.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT OBJECTIVES AND POLICIES OF THE FUND AND THE SUB-FUNDS (CONTINUED)

BEA UNION INVESTMENT AGE 65 PLUS FUND (CONTINUED)

Investment policy (continued)

In addition, at least 30% of the assets of the Sub-fund will be held in Hong Kong dollar currency investments as measured by effective currency exposure (determined in accordance with Schedule 1 of the Mandatory Provident Fund Schemes (General) Regulation).

The Sub-fund will not invest in any structured deposits or products, and will not enter into any securities lending, repurchase transactions or other similar transactions.

The Manager expects the return of the Sub-fund over the long-term to reflect movements between the global equity market and global bond market, with an emphasis on the asset allocation applicable to the Age 65 Plus Fund, targeting to outperform the relevant MPF industry developed reference portfolio which is published by the Hong Kong Investment Funds Association and to provide a common reference point for the performance and asset allocation of the Sub-fund.

BEA UNION INVESTMENT MONEY MARKET FUND

Investment objective

To maintain a high degree of liquidity while providing current income by investing in short-term HK dollar and/or US dollar denominated instruments in Hong Kong that can be converted into cash in a timely manner.

Investment policy

The Sub-fund will invest primarily (at least 70% of its net assets) in HK dollar and/or US dollar denominated deposits and high grade money market instruments (i.e. with a credit rating that satisfies the criteria prescribed by the Authority from time to time) including but not limited to commercial papers, certificates of deposit, as well as short-term debt securities. Up to 30% of the Sub-fund's net assets may be invested in short-term instruments denominated in currencies other than HK dollar or US dollar.

The Sub-fund will invest in deposits and money market instruments with remaining maturities of less than 397 days (or two years in the case of Government or public sector investments). The average maturity of the Sub-fund's investments will not exceed 90 days.

In addition, at least 30% of the assets of the Sub-fund will be held in Hong Kong dollar currency investments as measured by effective currency exposure (determined in accordance with Schedule 1 of the Mandatory Provident Fund Schemes (General) Regulation).

Subject to the restrictions imposed by the MPF Ordinance, the Manager may enter into financial futures, options and currency forward contracts for the Sub-fund for hedging purposes only. The Sub-fund will not invest in any structured deposits or products, and will not enter into any securities lending, repurchase transactions or other similar transactions.

The Manager aims to achieve a return exceeding the Hong Kong dollar savings rate for the Sub-fund.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

INVESTMENT INCOME AND PERFORMANCE

	BEA Union Investment Asia Strategic Growth Fund			BEA Union Investment Global Bond Fund		
	2019 HK\$	2018 HK\$	2017 HK\$	2019 HK\$	2018 HK\$	2017 HK\$
Net gains/(losses) excluding capital appreciation/(depreciation)	21,344,423	21,992,914	21,375,330	(6,327,551)	(23,946,492)	(58,142,988)
Capital appreciation/(depreciation) – realised and unrealised	353,769,573	(386,275,405)	718,861,213	373,186,924	29,248,052	402,548,874
Value of fund assets derived from investments as at 31 December	<u>2,127,216,334</u>	<u>1,752,892,034</u>	<u>2,416,962,255</u>	<u>5,564,917,613</u>	<u>5,224,921,191</u>	<u>5,028,292,584</u>

	BEA Union Investment Hong Kong Growth Fund			BEA Union Investment Greater China Growth Fund		
	2019 HK\$	2018 HK\$	2017 HK\$	2019 HK\$	2018 HK\$	2017 HK\$
Net gains/(losses) excluding capital appreciation/(depreciation)	41,196,985	47,599,366	63,259,038	(13,094,514)	24,453,996	22,061,174
Capital appreciation/(depreciation) – realised and unrealised	243,886,347	(347,533,077)	918,235,070	388,540,799	(289,808,138)	580,116,394
Value of fund assets derived from investments as at 31 December	<u>2,979,276,910</u>	<u>1,771,024,923</u>	<u>3,109,496,406</u>	<u>1,930,388,460</u>	<u>1,552,784,795</u>	<u>1,914,866,383</u>

	BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund			BEA Union Investment Global Equity Fund		
	2019 HK\$	2018 HK\$	2017 HK\$	2019 HK\$	2018 HK\$	2017 HK\$
Net gains/(losses) excluding capital appreciation/(depreciation)	(12,767,908)	(12,146,485)	(9,230,115)	18,494,311	10,357,247	4,055,751
Capital appreciation/(depreciation) – realised and unrealised	72,773,836	29,186,579	38,775,386	254,673,211	(98,045,853)	128,464,599
Value of fund assets derived from investments as at 31 December	<u>1,486,337,152</u>	<u>1,488,350,833</u>	<u>1,233,335,976</u>	<u>1,627,414,215</u>	<u>1,025,793,319</u>	<u>909,123,127</u>

	BEA Union Investment Asia Pacific Investment Grade Bond Fund			BEA Union Investment Core Accumulation Fund		
	2019 HK\$	2018 HK\$	2017 HK\$	2019 HK\$ ⁽¹⁾	2018 HK\$ ⁽¹⁾	2017 HK\$ ⁽¹⁾
Net gains/(losses) excluding capital appreciation/(depreciation)	(4,198,091)	(7,288,710)	(4,386,238)	3,542,366	3,744,911	(2,275,220)
Capital appreciation/(depreciation) – realised and unrealised	117,068,338	12,562,003	37,823,394	144,060,767	(36,256,529)	29,369,984
Value of fund assets derived from investments as at 31 December	<u>1,055,850,705</u>	<u>942,294,192</u>	<u>776,987,784</u>	<u>1,203,022,944</u>	<u>730,957,700</u>	<u>494,312,416</u>

	BEA Union Investment Age 65 Plus Fund			BEA Union Investment Money Market Fund
	2019 HK\$ ⁽¹⁾	2018 HK\$ ⁽¹⁾	2017 HK\$ ⁽¹⁾	2019 HK\$ ⁽²⁾
Net gains/(losses) excluding capital appreciation/(depreciation)	3,703,959	4,361,138	(2,244,824)	(454,248)
Capital appreciation/(depreciation) – realised and unrealised	44,676,262	(6,050,268)	8,124,100	10,628,655
Value of fund assets derived from investments as at 31 December	<u>527,969,422</u>	<u>414,674,661</u>	<u>338,560,660</u>	<u>387,752,036</u>

⁽¹⁾ The launch date for BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund was 1 April 2017.

⁽²⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

BREAKDOWN OF INCOME DERIVED FROM INVESTMENTS OTHER THAN NET GAINS/(LOSSES) ON INVESTMENTS FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019

	Interest on bonds HK\$	Interest on certificates of deposit HK\$	Dividend income HK\$	Interest on cash at banks HK\$	Interest on bank deposits HK\$	Other income HK\$	Total HK\$
BEA Union Investment							
Asia Strategic Growth Fund	-	-	51,026,232	2,518	-	-	51,028,750
BEA Union Investment							
Global Bond Fund	114,117,414	-	-	64,853	-	-	114,182,267
BEA Union Investment							
Hong Kong Growth Fund	-	-	76,425,686	2,959	-	-	76,428,645
BEA Union Investment							
Greater China Growth Fund	-	-	37,444,415	16,913	-	-	37,461,328
BEA Union Investment							
Hong Kong Dollar (HK\$) Bond Fund	37,585,973	5,103,936	-	853	-	-	42,690,762
BEA Union Investment							
Global Equity Fund	-	-	29,624,699	344	-	-	29,625,043
BEA Union Investment							
Asia Pacific Investment Grade Bond Fund	43,020,495	-	-	1,472	-	865,455	43,887,422
BEA Union Investment							
Core Accumulation Fund	-	-	-	-	-	-	-
BEA Union Investment							
Age 65 Plus Fund	-	-	-	-	-	-	-
BEA Union Investment							
Money Market Fund ⁽¹⁾	<u>1,516,892</u>	<u>-</u>	<u>-</u>	<u>196</u>	<u>7,191,917</u>	<u>-</u>	<u>8,709,005</u>

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

FOR THE YEAR ENDED 31 DECEMBER 2018

	Interest on bonds HK\$	Interest on certificates of deposit HK\$	Dividend income HK\$	Interest on cash at banks HK\$	Other income HK\$	Total HK\$
BEA Union Investment						
Asia Strategic Growth Fund	-	-	54,113,496	3,493	177	54,117,166
BEA Union Investment						
Global Bond Fund	108,235,376	-	-	73,192	-	108,308,568
BEA Union Investment						
Hong Kong Growth Fund	-	-	69,259,900	1,077	-	69,260,977
BEA Union Investment						
Greater China Growth Fund	-	-	50,254,647	10,381	-	50,265,028
BEA Union Investment						
Hong Kong Dollar (HK\$) Bond Fund	33,181,658	5,312,719	-	296	-	38,494,673
BEA Union Investment						
Global Equity Fund	-	-	21,854,653	1,723	-	21,856,376
BEA Union Investment						
Asia Pacific Investment Grade Bond Fund	40,232,553	-	-	1,829	-	40,234,382
BEA Union Investment						
Core Accumulation Fund	-	-	-	-	-	-
BEA Union Investment						
Age 65 Plus Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

PERFORMANCE TABLE

(A) TOTAL NET ASSET VALUE AND NET ASSET VALUE PER UNIT

Sub-funds	As at 31 December 2019		As at 31 December 2018		As at 31 December 2017	
	Total net asset value	Net asset value per unit	Total net asset value	Net asset value per unit	Total net asset value	Net asset value per unit
BEA Union Investment Asia Strategic Growth Fund						
– Class A (HK\$)	HK\$ 2,105,726,657	HK\$ 405.40	HK\$ 1,747,992,000	HK\$ 335.61	HK\$ 2,344,750,564	HK\$ 408.91
– Class R (US\$)	HK\$ 75,671,716	HK\$ 310.97	HK\$ 67,369,380	HK\$ 261.65	HK\$ 85,451,175	HK\$ 324.02
BEA Union Investment Global Bond Fund						
– Class A (HK\$)	HK\$ 4,443,335,010	HK\$ 130.94	HK\$ 4,727,011,914	HK\$ 122.75	HK\$ 4,685,209,101	HK\$ 122.56
– Class I (HK\$) ⁽¹⁾	HK\$ 894,500,771	HK\$ 112.69	HK\$ 629,958,024	HK\$ 105.61	HK\$ 454,496,309	HK\$ 105.41
– Class R (US\$)	HK\$ 379,118,360	HK\$ 112.92	HK\$ 50,825,596	HK\$ 106.84	HK\$ 41,432,557	HK\$ 107.68
BEA Union Investment Hong Kong Growth Fund						
– Class A (HK\$)	HK\$ 2,841,245,691	HK\$ 339.26	HK\$ 1,625,713,727	HK\$ 295.44	HK\$ 3,050,620,122	HK\$ 344.48
– Class R (HK\$)	HK\$ 188,400,162	HK\$ 270.58	HK\$ 153,520,326	HK\$ 239.51	HK\$ 207,821,851	HK\$ 283.86
BEA Union Investment Greater China Growth Fund						
– Class A (HK\$)	HK\$ 1,763,799,218	HK\$ 299.49	HK\$ 1,462,324,365	HK\$ 242.04	HK\$ 1,782,899,935	HK\$ 281.45
– Class R (HK\$)	HK\$ 185,639,827	HK\$ 241.38	HK\$ 161,190,048	HK\$ 198.33	HK\$ 208,249,966	HK\$ 234.45
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund						
– Class A (HK\$)	HK\$ 168,480,640	HK\$ 142.56	HK\$ 154,764,836	HK\$ 135.87	HK\$ 154,347,355	HK\$ 133.77
– Class D (HK\$)	HK\$ 304,259,055	HK\$ 107.47	HK\$ 297,632,092	HK\$ 103.54	HK\$ 135,317,223	HK\$ 103.04
– Class R (HK\$)	HK\$ 1,030,677,284	HK\$ 128.85	HK\$ 1,046,868,767	HK\$ 123.83	HK\$ 948,880,797	HK\$ 122.92
IBEA Union Investment Global Equity Fund						
– Class A (HK\$)	HK\$ 601,272,621	HK\$ 189.39	HK\$ 490,473,229	HK\$ 153.14	HK\$ 518,545,293	HK\$ 166.07
– Class I (HK\$) ⁽¹⁾	HK\$ 862,781,372	HK\$ 132.76	HK\$ 536,394,209	HK\$ 107.29	HK\$ 406,181,264	HK\$ 116.28
– Class R (HK\$) ⁽²⁾	HK\$ 186,761,682	HK\$ 116.75	HK\$ 17,263,283	HK\$ 95.98	HK\$ –	HK\$ –
BEA Union Investment Asia Pacific Investment Grade Bond Fund						
– Class A (HK\$)	HK\$ 751,473,872	HK\$ 134.56	HK\$ 670,169,235	HK\$ 120.00	HK\$ 665,811,240	HK\$ 119.31
– Class R (HK\$) ⁽³⁾	HK\$ 312,107,840	HK\$ 111.71	HK\$ 280,560,547	HK\$ 100.73	HK\$ 118,838,367	HK\$ 101.25
BEA Union Investment Core Accumulation Fund ⁽⁴⁾						
– Class I (HK\$) ⁽¹⁾	HK\$ 1,201,532,663	HK\$ 124.75	HK\$ 730,137,505	HK\$ 106.37	HK\$ 493,481,683	HK\$ 110.73
BEA Union Investment Age 65 Plus Fund ⁽⁴⁾						
– Class I (HK\$) ⁽¹⁾	HK\$ 526,645,933	HK\$ 116.24	HK\$ 413,731,683	HK\$ 104.81	HK\$ 337,355,807	HK\$ 105.16
BEA Union Investment Money Market Fund ⁽⁵⁾						
– Class A (HK\$) ⁽⁶⁾	HK\$ 395,192,532	HK\$ 101.82	HK\$ –	HK\$ –	HK\$ –	HK\$ –
– Class I (HK\$) ⁽⁶⁾	HK\$ 5,076,167	HK\$ 101.52	HK\$ –	HK\$ –	HK\$ –	HK\$ –

(1) Class I of BEA Union Investment Global Bond Fund, BEA Union Investment Global Equity Fund, BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund were launched on 1 April 2017.

(2) Class R of BEA Union Investment Global Equity Fund was launched on 13 December 2018.

(3) Class R of BEA Union Investment Asia Pacific Investment Grade Bond Fund was launched on 20 June 2017.

(4) The launch date for BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund was 1 April 2017.

(5) The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

(6) Class A and Class I of BEA Union Investment Money Market Fund were launched on 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

PERFORMANCE TABLE (CONTINUED)

(B) FUND EXPENSE RATIO ("FER")

Sub-funds	2019 Transaction costs for the year ended 31 December HK\$	FER for the year ended 31 December ⁽¹⁾
BEA Union Investment Asia Strategic Growth Fund		
– Class A (HK\$)	15,607,821	0.07%
– Class R (US\$)	581,058	1.70%
BEA Union Investment Global Bond Fund		
– Class A (HK\$)	–	0.04%
– Class I (HK\$)	–	0.01%
– Class R (US\$)	–	0.97%
BEA Union Investment Hong Kong Growth Fund		
– Class A (HK\$)	24,052,594	0.06%
– Class R (HK\$)	1,646,000	1.69%
BEA Union Investment Greater China Growth Fund		
– Class A (HK\$)	31,642,478	0.08%
– Class R (HK\$)	3,374,388	1.73%
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund		
– Class A (HK\$)	–	0.05%
– Class D (HK\$)	–	1.13%
– Class R (HK\$)	–	0.88%
BEA Union Investment Global Equity Fund		
– Class A (HK\$)	561,098	0.07%
– Class I (HK\$)	709,140	0.02%
– Class R (HK\$)	92,355	1.73%
BEA Union Investment Asia Pacific Investment Grade Bond Fund		
– Class A (HK\$)	–	0.06%
– Class R (HK\$)	–	1.16%
BEA Union Investment Core Accumulation Fund		
– Class I (HK\$)	–	0.03%
BEA Union Investment Age 65 Plus Fund		
– Class I (HK\$)	–	0.02%
BEA Union Investment Money Market Fund ⁽²⁾		
– Class A (HK\$) ⁽³⁾	–	0.06%
– Class I (HK\$) ⁽³⁾	–	0.36%

(1) Pursuant to Chapter E2 of the Code on Disclosure for MPF Investment Funds ("Disclosure Code"), the FER calculation for an approved pooled investment fund ("APIF") that invests through a fund requires the costs incurred at lower level collective investment schemes, such as real estate investment trust ("REIT"), to be included. According to the circular letter dated 1 November 2019 (PR/CTR/2019/002), a clarification was issued by the Mandatory Provident Fund Schemes Authority for the purposes of calculating FER, a listed REIT is treated in the same way as an investment in shares of a listed company, and the fees and charges of such REIT need not be regarded as "underlying fund costs" (as defined under E3.9 of the Disclosure Code) of an APIF. This treatment of a listed REIT for the purposes of FER calculation is adopted and is not required to be applied retrospectively.

(2) The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

(3) Class A and Class I of BEA Union Investment Money Market Fund were launched on 9 January 2019.

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BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

PERFORMANCE TABLE (CONTINUED)

(C) HIGHEST AND LOWEST PRICES

Sub-funds	2019			2018			2017			2016		
	Highest issue price per unit	Lowest redemption price per unit	Net annualised investment return (Note) %	Highest issue price per unit	Lowest redemption price per unit	Net annualised investment return (Note) %	Highest issue price per unit	Lowest redemption price per unit	Net annualised investment return (Note) %	Highest issue price per unit	Lowest redemption price per unit	Net annualised investment return (Note) %
BEA Union Investment Asia Strategic Growth Fund												
– Class A (HK\$) ⁽¹⁾	HK\$ 406.03	HK\$ 325.93	20.79	HK\$ 447.27	HK\$ 331.37	(17.93)	HK\$ 416.20	HK\$ 283.55	45.07	HK\$ 310.98	HK\$ 240.77	4.03
– Class C (US\$) ⁽²⁾	US\$ –	US\$ –	–	US\$ –	US\$ –	–	US\$ –	US\$ –	–	US\$ –	US\$ –	–
– Class R (US\$)	US\$ 40.00	US\$ 32.44	19.42	US\$ 45.28	US\$ 33.01	(19.37)	US\$ 42.29	US\$ 29.44	41.56	US\$ 32.41	US\$ 25.17	2.31
BEA Union Investment Global Bond Fund												
– Class A (HK\$) ⁽¹⁾	HK\$ 134.14	HK\$ 122.93	6.67	HK\$ 125.66	HK\$ 119.84	0.16	HK\$ 123.83	HK\$ 113.86	6.96	HK\$ 124.20	HK\$ 112.43	2.12
– Class I (HK\$) ⁽⁷⁾	HK\$ 115.43	HK\$ 105.77	6.70	HK\$ 108.09	HK\$ 103.10	0.19	HK\$ 106.50	HK\$ 99.93	5.41	HK\$ –	HK\$ –	–
– Class R (US\$)	US\$ 14.79	US\$ 13.64	6.15	US\$ 14.04	US\$ 13.33	(0.87)	US\$ 13.97	US\$ 13.02	5.03	US\$ 14.25	US\$ 12.95	1.16
BEA Union Investment Hong Kong Growth Fund												
– Class A (HK\$)	HK\$ 348.48	HK\$ 286.29	14.83	HK\$ 380.25	HK\$ 283.69	(14.24)	HK\$ 350.95	HK\$ 244.59	41.72	HK\$ 267.54	HK\$ 201.20	0.38
– Class R (HK\$)	HK\$ 281.16	HK\$ 232.06	12.97	HK\$ 312.98	HK\$ 230.62	(15.62)	HK\$ 289.70	HK\$ 204.83	39.43	HK\$ 225.22	HK\$ 170.97	(1.25)
BEA Union Investment Greater China Growth Fund												
– Class A (HK\$)	HK\$ 300.44	HK\$ 234.21	23.74	HK\$ 314.50	HK\$ 235.78	(14.00)	HK\$ 291.44	HK\$ 196.44	43.83	HK\$ 216.60	HK\$ 164.33	1.76
– Class R (HK\$)	HK\$ 242.17	HK\$ 191.89	21.71	HK\$ 261.71	HK\$ 193.74	(15.41)	HK\$ 243.20	HK\$ 166.33	41.47	HK\$ 184.15	HK\$ 141.35	0.09
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund												
– Class A (HK\$)	HK\$ 144.11	HK\$ 135.73	4.92	HK\$ 135.87	HK\$ 131.95	1.57	HK\$ 135.63	HK\$ 128.94	3.71	HK\$ 133.89	HK\$ 126.55	0.51
– Class D (HK\$) ⁽³⁾	HK\$ 109.02	HK\$ 103.37	3.80	HK\$ 103.54	HK\$ 101.15	0.49	HK\$ 104.82	HK\$ 100.38	2.62	HK\$ 104.67	HK\$ 99.54	(0.58)
– Class R (HK\$)	HK\$ 130.60	HK\$ 123.64	4.05	HK\$ 123.83	HK\$ 120.87	0.74	HK\$ 124.95	HK\$ 119.45	2.86	HK\$ 124.44	HK\$ 118.18	(0.33)
BEA Union Investment Global Equity Fund ⁽⁴⁾												
– Class A (HK\$)	HK\$ 189.79	HK\$ 150.22	23.67	HK\$ 179.75	HK\$ 147.00	(7.79)	HK\$ 166.38	HK\$ 133.82	24.71	HK\$ 136.08	HK\$ 114.29	4.92
– Class I (HK\$) ⁽⁷⁾	HK\$ 133.03	HK\$ 105.24	23.74	HK\$ 125.86	HK\$ 102.98	(7.73)	HK\$ 116.49	HK\$ 99.57	16.28	HK\$ –	HK\$ –	–
– Class R (HK\$) ⁽⁹⁾	HK\$ 117.02	HK\$ 94.13	21.64	HK\$ 98.35	HK\$ 92.16	(4.02)	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–
BEA Union Investment Asia Pacific Investment Grade Bond Fund ⁽⁵⁾												
– Class A (HK\$)	HK\$ 135.04	HK\$ 120.31	12.13	HK\$ 120.00	HK\$ 116.81	0.58	HK\$ 119.36	HK\$ 112.35	6.23	HK\$ 115.72	HK\$ 107.53	4.68
– Class R (HK\$) ⁽⁸⁾	HK\$ 112.42	HK\$ 100.97	10.90	HK\$ 101.18	HK\$ 98.64	(0.51)	HK\$ 101.62	HK\$ 99.43	1.25	HK\$ –	HK\$ –	–
BEA Union Investment Core Accumulation Fund ⁽⁶⁾												
– Class I (HK\$) ⁽⁷⁾	HK\$ 124.96	HK\$ 105.31	17.28	HK\$ 116.36	HK\$ 103.75	(3.94)	HK\$ 110.84	HK\$ 99.86	10.73	HK\$ –	HK\$ –	–
BEA Union Investment Age 65 Plus Fund ⁽⁶⁾												
– Class I (HK\$) ⁽⁷⁾	HK\$ 116.41	HK\$ 104.71	10.91	HK\$ 106.98	HK\$ 103.82	(0.33)	HK\$ 105.33	HK\$ 100.04	5.16	HK\$ –	HK\$ –	–
BEA Union Investment Money Market Fund ⁽¹⁰⁾												
– Class A (HK\$) ⁽¹¹⁾	HK\$ 101.84	HK\$ 99.99	1.82	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–
– Class I (HK\$) ⁽¹¹⁾	HK\$ 101.56	HK\$ 99.99	1.52	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–

(1) The denominations of Class A redeemable units of BEA Union Investment Asia Strategic Growth Fund and BEA Union Investment Global Bond Fund were changed from USD to HKD, effective from 5 July 2013.

(2) With effect from 25 April 2014, Class C units were merged into Class R units.

(3) Class D of BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund was launched on 14 May 2015.

(4) The date of commencement for BEA Union Investment Global Equity Fund was 4 October 2012.

(5) The date of commencement for BEA Union Investment Asia Pacific Investment Grade Bond Fund was 20 June 2014.

(6) The launch date for BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund was 1 April 2017.

(7) Class I of BEA Union Investment Global Bond Fund, BEA Union Investment Global Equity Fund, BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund were launched on 1 April 2017.

(8) Class R of BEA Union Investment Asia Pacific Investment Grade Bond Fund was launched on 20 June 2017.

(9) Class R of BEA Union Investment Global Equity Fund was launched on 13 December 2018.

(10) The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

(11) Class A and Class I of BEA Union Investment Money Market Fund were launched on 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

PERFORMANCE TABLE (CONTINUED)

(C) HIGHEST AND LOWEST PRICES (CONTINUED)

Sub-funds	2015			2014			2013		
	Highest issue price per unit	Lowest redemption price per unit	Net annualised investment return (Note) %	Highest issue price per unit	Lowest redemption price per unit	Net annualised investment return (Note) %	Highest issue price per unit	Lowest redemption price per unit	Net annualised investment return (Note) %
BEA Union Investment Asia Strategic Growth Fund									
– Class A (HK\$) ⁽¹⁾	HK\$ 348.06	HK\$ 245.19	(10.73)	HK\$ 329.90	HK\$ 284.47	(1.26)	HK\$ 3109.98	HK\$ 258.26	8.10
– Class C (US\$) ⁽²⁾	US\$ –	US\$ –	–	US\$ 33.57	US\$ 30.94	N/A	US\$ 33.86	US\$ 28.39	6.31
– Class R (US\$)	US\$ 37.17	US\$ 26.03	(12.13)	US\$ 35.60	US\$ 30.94	(2.83)	US\$ 33.86	US\$ 28.39	6.31
BEA Union Investment Global Bond Fund									
– Class A (HK\$) ⁽¹⁾	HK\$ 116.15	HK\$ 110.27	(3.22)	HK\$ 117.20	HK\$ 112.64	2.52	HK\$ 113.33	HK\$ 110.46	0.25
– Class I (HK\$) ⁽⁷⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–
– Class R (US\$)	US\$ 13.53	US\$ 12.79	(4.07)	US\$ 13.71	US\$ 13.25	1.58	US\$ 13.41	US\$ 13.05	(0.75)
BEA Union Investment Hong Kong Growth Fund									
– Class A (HK\$)	HK\$ 315.36	HK\$ 224.38	(6.59)	HK\$ 270.03	HK\$ 225.93	4.56	HK\$ 254.24	HK\$ 202.94	8.48
– Class R (HK\$)	HK\$ 271.47	HK\$ 192.01	(8.10)	HK\$ 234.90	HK\$ 198.02	2.87	HK\$ 223.91	HK\$ 180.01	6.73
BEA Union Investment Greater China Growth Fund									
– Class A (HK\$)	HK\$ 249.80	HK\$ 176.53	(6.28)	HK\$ 213.05	HK\$ 181.52	4.23	HK\$ 199.15	HK\$ 158.29	14.54
– Class R (HK\$)	HK\$ 217.49	HK\$ 152.88	(7.81)	HK\$ 187.49	HK\$ 161.26	2.53	HK\$ 177.45	HK\$ 142.07	12.66
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund									
– Class A (HK\$)	HK\$ 128.90	HK\$ 124.31	3.13	HK\$ 125.25	HK\$ 119.63	3.85	HK\$ 122.02	HK\$ 118.58	(0.81)
– Class D (HK\$) ⁽³⁾	HK\$ 101.65	HK\$ 99.59	1.00	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–
– Class R (HK\$)	HK\$ 120.59	HK\$ 117.10	2.28	HK\$ 118.07	HK\$ 113.61	2.99	HK\$ 116.55	HK\$ 112.93	(1.63)
BEA Union Investment Global Equity Fund ⁽⁴⁾									
– Class A (HK\$)	HK\$ 132.11	HK\$ 119.26	2.56	HK\$ 127.31	HK\$ 114.51	1.78	HK\$ 121.58	HK\$ 101.12	22.23
– Class I (HK\$) ⁽⁷⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–
– Class R (HK\$) ⁽⁹⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–
BEA Union Investment Asia Pacific Investment Grade Bond Fund ⁽⁵⁾									
– Class A (HK\$)	HK\$ 107.78	HK\$ 102.90	4.42	HK\$ 103.00	HK\$ 99.75	2.75	HK\$ –	HK\$ –	–
– Class R (HK\$) ⁽⁸⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–
BEA Union Investment Core Accumulation Fund ⁽⁶⁾									
– Class I (HK\$) ⁽⁷⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–
BEA Union Investment Age 65 Plus Fund ⁽⁶⁾									
– Class I (HK\$) ⁽⁷⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–
BEA Union Investment Money Market Fund ⁽¹⁰⁾									
– Class A (HK\$) ⁽¹¹⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–
– Class I (HK\$) ⁽¹¹⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–

(1) The denominations of Class A redeemable units of BEA Union Investment Asia Strategic Growth Fund and BEA Union Investment Global Bond Fund were changed from USD to HKD, effective from 5 July 2013.

(2) With effect from 25 April 2014, Class C units were merged into Class R units.

(3) Class D of BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund was launched on 14 May 2015.

(4) The date of commencement for BEA Union Investment Global Equity Fund was 4 October 2012.

(5) The date of commencement for BEA Union Investment Asia Pacific Investment Grade Bond Fund was 20 June 2014.

(6) The launch date for BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund was 1 April 2017.

(7) Class I of BEA Union Investment Global Bond Fund, BEA Union Investment Global Equity Fund, BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund were launched on 1 April 2017.

(8) Class R of BEA Union Investment Asia Pacific Investment Grade Bond Fund was launched on 20 June 2017.

(9) Class R of BEA Union Investment Global Equity Fund was launched on 13 December 2018.

(10) The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

(11) Class A and Class I of BEA Union Investment Money Market Fund were launched on 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

PERFORMANCE TABLE (CONTINUED)

(C) HIGHEST AND LOWEST PRICES (CONTINUED)

Sub-funds	2012			2011			2010			
	Highest issue price per unit	Lowest redemption price per unit	Net annualised investment return (Note) %	Highest issue price per unit	Lowest redemption price per unit	Net annualised investment return (Note) %	Highest issue price per unit	Lowest redemption price per unit	Net annualised investment return (Note) %	
BEA Union Investment Asia Strategic Growth Fund										
– Class A (HK\$) ⁽¹⁾	US\$ 36.71	US\$ 29.72	23.29	US\$ 38.83	US\$ 26.36	(17.86)	US\$ 36.52	US\$ 26.82	17.78	
– Class C (US\$) ⁽²⁾	US\$ 31.57	US\$ 25.78	21.32	US\$ 34.31	US\$ 23.12	(19.21)	US\$ 32.51	US\$ 24.05	15.89	
– Class R (US\$)	US\$ 31.57	US\$ 25.78	21.32	US\$ 34.31	US\$ 23.12	(19.21)	US\$ 32.51	US\$ 24.05	15.89	
BEA Union Investment Global Bond Fund										
– Class A (HK\$) ⁽¹⁾	US\$ 14.57	US\$ 14.05	1.82	US\$ 14.73	US\$ 13.24	6.09	US\$ 14.06	US\$ 12.34	5.32	
– Class I (HK\$) ⁽⁷⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	
– Class R (US\$)	US\$ 13.46	US\$ 13.03	0.90	US\$ 13.74	US\$ 12.41	5.15	US\$ 13.20	US\$ 11.64	4.29	
BEA Union Investment Hong Kong Growth Fund										
– Class A (HK\$)	HK\$ 228.69	HK\$ 184.19	22.80	HK\$ 245.05	HK\$ 162.91	(20.61)	HK\$ 251.99	HK\$ 183.38	11.01	
– Class R (HK\$)	HK\$ 204.55	HK\$ 166.21	20.82	HK\$ 226.12	HK\$ 148.61	(21.89)	HK\$ 233.28	HK\$ 171.03	9.21	
BEA Union Investment Greater China Growth Fund										
– Class A (HK\$)	HK\$ 171.90	HK\$ 137.30	23.45	HK\$ 186.73	HK\$ 124.78	(21.96)	HK\$ 183.18	HK\$ 133.81	14.34	
– Class R (HK\$)	HK\$ 155.64	HK\$ 125.39	21.44	HK\$ 173.40	HK\$ 115.22	(23.24)	HK\$ 171.69	HK\$ 126.37	12.47	
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund										
– Class A (HK\$)	HK\$ 120.81	HK\$ 115.79	4.23	HK\$ 116.83	HK\$ 111.30	3.59	HK\$ 114.51	HK\$ 108.57	2.91	
– Class D (HK\$) ⁽³⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	
– Class R (HK\$)	HK\$ 115.73	HK\$ 111.85	3.33	HK\$ 113.10	HK\$ 108.27	2.73	HK\$ 112.16	HK\$ 107.16	1.56	
BEA Union Investment Global Equity Fund ⁽⁴⁾										
– Class A (HK\$)	HK\$ 100.64	HK\$ 93.31	(0.53)	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	
– Class I (HK\$) ⁽⁷⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	
– Class R (HK\$) ⁽⁹⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	
BEA Union Investment Asia Pacific Investment Grade Bond Fund ⁽⁵⁾										
– Class A (HK\$)	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	
– Class R (HK\$) ⁽⁸⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	
BEA Union Investment Core Accumulation Fund ⁽⁶⁾										
– Class I (HK\$) ⁽⁷⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	
BEA Union Investment Age 65 Plus Fund ⁽⁶⁾										
– Class I (HK\$) ⁽⁷⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	
BEA Union Investment Money Market Fund ⁽¹⁰⁾										
– Class A (HK\$) ⁽¹¹⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	
– Class I (HK\$) ⁽¹¹⁾	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	HK\$ –	HK\$ –	–	

(1) The denominations of Class A redeemable units of BEA Union Investment Asia Strategic Growth Fund and BEA Union Investment Global Bond Fund were changed from USD to HKD, effective from 5 July 2013.

(2) With effect from 25 April 2014, Class C units were merged into Class R units.

(3) Class D of BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund was launched on 14 May 2015.

(4) The date of commencement for BEA Union Investment Global Equity Fund was 4 October 2012.

(5) The date of commencement for BEA Union Investment Asia Pacific Investment Grade Bond Fund was 20 June 2014.

(6) The launch date for BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund was 1 April 2017.

(7) Class I of BEA Union Investment Global Bond Fund, BEA Union Investment Global Equity Fund, BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund were launched on 1 April 2017.

(8) Class R of BEA Union Investment Asia Pacific Investment Grade Bond Fund was launched on 20 June 2017.

(9) Class R of BEA Union Investment Global Equity Fund was launched on 13 December 2018.

(10) The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

(11) Class A and Class I of BEA Union Investment Money Market Fund were launched on 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

PERFORMANCE TABLE (CONTINUED)

(C) HIGHEST AND LOWEST PRICES (CONTINUED)

Note: The net annualised investment return represents the percentage change in unit price during each of these years except for the net investment return in the first financial year which was calculated as the percentage change in unit price between the unit price at the year end date and the initial offer price.

BEA Union Investment Asia Strategic Growth Fund commenced to issue Class A units on 15 April 2003, Class C and Class R (formerly Class B) units on 8 September 2003. With effect from 25 April 2014, Class C units were merged into Class R units.

BEA Union Investment Global Bond Fund commenced to issue Class A and Class R (formerly Class B) units on 1 March 2004 and Class I units on 1 April 2017.

BEA Union Investment Hong Kong Growth Fund commenced to issue Class A and Class R (formerly Class B) units on 10 December 2004.

BEA Union Investment Greater China Growth Fund commenced to issue Class A units on 6 December 2006 and Class R (formerly Class B) units on 1 September 2006.

BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund commenced to issue Class A units on 6 November 2007, Class R (formerly Class B) units on 2 June 2008 and Class D units on 14 May 2015.

BEA Union Investment Global Equity Fund commenced to issue Class A units on 4 October 2012, Class I units on 1 April 2017 and Class R units on 13 December 2018.

BEA Union Investment Asia Pacific Investment Grade Bond Fund commenced to issue Class A units on 20 June 2014 and Class R units on 20 June 2017.

BEA Union Investment Core Accumulation Fund commenced to issue Class I units on 1 April 2017.

BEA Union Investment Age 65 Plus Fund commenced to issue Class I units on 1 April 2017.

BEA Union Investment Money Market Fund commenced to issue Class A units and Class I units on 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019

INVESTMENT PORTFOLIO

BEA UNION INVESTMENT ASIA STRATEGIC GROWTH FUND

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (97.52%)			
Equities (97.18%)			
<i>China and Hong Kong (50.63%)</i>			
AIA Group Ltd	900,000	73,620,000	3.37
Alibaba Group Holding Ltd	112,000	23,206,400	1.06
A-Living Services Co Ltd – H	1,200,000	32,280,000	1.48
Anhui Conch Cement Co Ltd – H	200,000	11,360,000	0.52
BOC Hong Kong Holdings Ltd	480,000	12,984,000	0.60
China Construction Bank Corp – H	6,400,000	43,072,000	1.97
China Gas Holdings Ltd	600,000	17,520,000	0.80
China Life Insurance Co Ltd – H	1,032,000	22,342,800	1.02
China Mengniu Dairy Co Ltd	600,000	18,900,000	0.87
China Merchants Bank Co Ltd – H	600,000	24,030,000	1.10
China Mobile Ltd	430,000	28,165,000	1.29
China Oilfield Services Ltd – H	1,300,000	15,886,000	0.73
China Resources Beer Holdings Co Ltd	450,000	19,395,000	0.89
China Tower Corp Ltd – H	4,000,000	6,880,000	0.32
CIFI Holdings Group Co Ltd	2,300,000	15,157,000	0.69
CK Asset Holdings Ltd	316,500	17,803,125	0.82
CK Hutchison Holdings Ltd	350,000	26,005,000	1.19
CNOOC Ltd	1,500,000	19,440,000	0.89
CSPC Pharmaceutical Group Ltd	500,000	9,290,000	0.43
Dongfeng Motor Group Co Ltd – H	1,300,000	9,529,000	0.44
Galaxy Entertainment Group Ltd	280,000	16,072,000	0.74
Guangzhou Automobile Group Co Ltd – H	1,300,000	12,610,000	0.58
Guangzhou R&F Properties Co Ltd – H	1,000,000	14,380,000	0.66
Henderson Land Development Co Ltd	300,000	11,475,000	0.53
Hong Kong Exchanges & Clearing Ltd	120,000	30,360,000	1.39
Huatai Securities Co Ltd – H	1,200,000	16,536,000	0.76
Industrial & Commercial Bank of China Ltd – H	4,300,000	25,800,000	1.18
Jiangsu Hengrui Medicine Co Ltd – A	119,979	11,746,821	0.54
Kunlun Energy Co Ltd	2,000,000	13,760,000	0.63
Kweichow Moutai Co Ltd – A	9,000	11,910,639	0.55

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT ASIA STRATEGIC GROWTH FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (97.52%) (continued)			
Equities (97.18%) (continued)			
<i>China and Hong Kong (50.63%) (continued)</i>			
KWG Group Holdings Ltd	1,500,000	16,380,000	0.75
Longfor Group Holdings Ltd	380,000	13,870,000	0.64
Luxshare Precision Industry Co Ltd – A	700,084	28,585,832	1.31
Meituan Dianping – CL B	180,000	18,342,000	0.84
Melco International Development Ltd	300,000	6,570,000	0.30
New World Development Co Ltd	2,700,000	28,836,000	1.32
PetroChina Co Ltd – H	2,000,000	7,820,000	0.36
Ping An Insurance Group Co of China Ltd – H	380,000	34,998,000	1.60
Sands China Ltd	278,800	11,612,020	0.53
Shenzhou International Group Holdings Ltd	170,000	19,363,000	0.89
Sino Biopharmaceutical Ltd	1,200,000	13,080,000	0.60
Sun Hung Kai Properties Ltd	150,000	17,895,000	0.82
Sunac China Holdings Ltd	700,000	32,585,000	1.49
Techtronic Industries Co Ltd	194,000	12,328,700	0.57
Tencent Holdings Ltd	450,000	169,020,000	7.75
Wharf Real Estate Investment Co Ltd	220,000	10,461,000	0.48
Will Semiconductor Ltd – A	59,965	9,619,551	0.44
Wuliangye Yibin Co Ltd – A	80,000	11,903,703	0.55
Wuxi Biologics Cayman Inc	100,500	9,914,325	0.45
Xinyi Solar Holdings Ltd	2,000,000	11,060,000	0.51
Zhaojin Mining Industry Co Ltd – H	1,000,000	8,610,000	0.39
<i>Indonesia (2.64%)</i>			
Bank Central Asia Tbk PT	1,336,600	25,074,036	1.15
Bank Mandiri Persero Tbk PT	2,408,900	10,376,444	0.48
Telekomunikasi Indonesia Persero Tbk PT	5,956,600	13,272,121	0.61
XL Axiata Tbk PT	4,944,900	8,742,174	0.40

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT ASIA STRATEGIC GROWTH FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (97.52%) (continued)			
Equities (97.18%) (continued)			
<i>Korea (16.86%)</i>			
AfreecaTV Co Ltd	31,862	14,791,279	0.68
Fila Korea Ltd	24,583	8,778,579	0.40
Hanon Systems	89,403	6,716,460	0.31
Hyundai Mobis Co Ltd	7,000	12,074,008	0.55
Korea Shipbuilding & Offshore Engineering Co Ltd	15,634	13,325,211	0.61
KT&G Corp	22,000	13,903,975	0.64
LG Household & Health Care Ltd	2,937	24,953,559	1.14
Mando Corp	37,003	8,775,928	0.40
NAVER Corp	9,000	11,309,276	0.52
NCSOFT Corp	4,086	14,893,923	0.68
Samsung Electro-Mechanics Co Ltd	25,971	21,873,192	1.00
Samsung Electronics Co Ltd	416,701	156,665,082	7.18
Shinhan Financial Group Co Ltd	80,569	23,532,634	1.08
SK Hynix Inc	57,371	36,374,373	1.67
<i>Malaysia (0.63%)</i>			
Dialog Group Bhd	2,086,600	13,712,606	0.63
<i>Singapore (4.01%)</i>			
DBS Group Holdings Ltd	175,100	26,259,057	1.20
Oversea-Chinese Banking Corp Ltd	500,600	31,850,914	1.46
Singapore Technologies Engineering Ltd	953,600	21,771,641	1.00
Yangzijiang Shipbuilding Holdings Ltd	1,169,300	7,588,793	0.35
<i>Taiwan (17.56%)</i>			
China Life Insurance Co Ltd/Taiwan	2,200,000	14,639,075	0.67
Eclat Textile Co Ltd	120,000	12,570,058	0.58
Genius Electronic Optical Co Ltd	97,136	14,820,720	0.68
Giant Manufacturing Co Ltd	180,000	9,965,592	0.46

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT ASIA STRATEGIC GROWTH FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (97.52%) (continued)			
Equities (97.18%) (continued)			
<i>Taiwan (17.56%) (continued)</i>			
Largan Precision Co Ltd	12,000	15,595,605	0.71
MediaTek Inc	410,000	47,263,782	2.17
Novatek Microelectronics Corp	350,000	19,923,386	0.91
Parade Technologies Ltd	180,000	28,773,892	1.32
Silergy Corp	80,000	19,754,434	0.91
Taiwan Semiconductor Manufacturing Co Ltd	1,880,000	161,747,222	7.41
Win Semiconductors Corp	280,000	21,397,171	0.98
Wiwynn Corp	100,000	16,505,349	0.76
<i>Thailand (2.32%)</i>			
Airports of Thailand PCL – NVDR	1,303,000	25,166,929	1.15
CP ALL PCL – NVDR	579,500	10,891,323	0.50
Thai Oil PCL – NVDR	803,600	14,580,536	0.67
<i>The Philippines (2.00%)</i>			
BDO Unibank Inc	1,166,450	28,354,260	1.30
International Container Terminal Services Inc	772,020	15,274,416	0.70
<i>The United States of America (0.53%)</i>			
Yum China Holdings Inc	30,962	11,582,403	0.53
Real estate investment trust (0.34%)			
<i>China and Hong Kong (0.34%)</i>			
Link REIT	90,000	7,425,000	0.34
Total listed/quoted investments		<u>2,127,216,334</u>	<u>97.52</u>
Other net assets		<u>54,182,039</u>	<u>2.48</u>
Total investments, at cost		<u>1,770,818,883</u>	
Total net assets		<u>2,181,398,373</u>	<u>100.00</u>

Note: Investments are accounted for on a trade date basis.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL BOND FUND

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (97.34%)			
Bonds (97.34%)			
<i>Denominated in Australian dollar (2.26%)</i>			
Australia Government Bond 3.25% 21/04/2029	13,000,000	83,354,758	1.46
Australia Government Bond 4.25% 21/04/2026	7,000,000	45,889,669	0.80
<i>Denominated In British pound (6.08%)</i>			
Nationwide Building Society 3.25% 20/01/2028	1,000,000	11,968,562	0.21
United Kingdom Gilt 0.50% 22/07/2022	6,000,000	62,041,818	1.09
United Kingdom Gilt 1.50% 22/07/2026	5,000,000	54,879,168	0.96
United Kingdom Gilt 1.50% 22/07/2047	7,000,000	75,715,936	1.32
United Kingdom Gilt 1.75% 07/09/2037	6,000,000	67,376,879	1.18
United Kingdom Gilt 2.00% 07/09/2025	2,000,000	22,426,067	0.39
United Kingdom Gilt 3.50% 22/01/2045	3,500,000	53,432,559	0.93
<i>Denominated in Canadian dollar (1.27%)</i>			
Canada Housing Trust No 1 1.80% 15/12/2024	3,000,000	17,891,971	0.31
Canadian Government Bond 1.50% 01/06/2026	2,500,000	14,870,085	0.26
Canadian Government Bond 2.00% 01/06/2028	5,000,000	30,753,044	0.54
Canadian Government Bond 2.25% 01/06/2025	1,500,000	9,293,978	0.16
<i>Denominated in Euro (24.16%)</i>			
BPCE SA 0.50% 24/02/2027	1,900,000	16,505,717	0.29
Bundesrepublik Deutschland Bundesanleihe 0.25% 15/08/2028	9,000,000	82,368,937	1.44
Bundesrepublik Deutschland Bundesanleihe 1.25% 15/08/2048	7,000,000	77,201,271	1.35
French Republic Government Bond OAT 1.25% 25/05/2034	2,000,000	19,740,359	0.35
French Republic Government Bond OAT 1.50% 25/05/2031	10,500,000	106,144,888	1.86

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (97.34%) (continued)			
Bonds (97.34%) (continued)			
<i>Denominated in Euro (24.16%) (continued)</i>			
French Republic Government Bond OAT 1.75% 25/06/2039	5,000,000	53,366,624	0.93
French Republic Government Bond OAT 2.00% 25/05/2048	7,500,000	85,193,533	1.49
French Republic Government Bond OAT 2.50% 25/05/2030	10,000,000	110,163,802	1.93
French Republic Government Bond OAT 3.25% 25/05/2045	2,000,000	27,776,775	0.49
Indonesia Government International Bond 1.45% 18/09/2026	1,000,000	9,143,771	0.16
ING Groep NV 1.00% 13/11/2030	1,500,000	13,104,608	0.23
Italy Buoni Poliennali Del Tesoro 1.45% 15/11/2024	2,000,000	18,253,308	0.32
Italy Buoni Poliennali Del Tesoro 1.60% 01/06/2026	5,000,000	45,820,251	0.80
Italy Buoni Poliennali Del Tesoro 1.65% 01/03/2032	6,000,000	53,416,350	0.93
Italy Buoni Poliennali Del Tesoro 2.05% 01/08/2027	5,000,000	47,194,902	0.82
Italy Buoni Poliennali Del Tesoro 2.20% 01/06/2027	4,000,000	37,899,896	0.66
Italy Buoni Poliennali Del Tesoro 2.80% 01/12/2028	5,000,000	49,628,835	0.87
Italy Buoni Poliennali Del Tesoro 3.35% 01/03/2035	3,000,000	31,643,166	0.55
Italy Buoni Poliennali Del Tesoro 4.50% 01/03/2026	5,000,000	54,021,403	0.94
Italy Buoni Poliennali Del Tesoro 5.25% 01/11/2029	5,000,000	59,783,887	1.05
La Banque Postale SA 0.25% 12/07/2026	4,100,000	35,529,259	0.62
Landesbank Baden-Wuerttemberg 0.375% 30/09/2027	2,500,000	21,539,355	0.38

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (97.34%) (continued)			
Bonds (97.34%) (continued)			
<i>Denominated in Euro (24.16%) (continued)</i>			
Mitsubishi UFJ Financial Group Inc 0.339% 19/07/2024	2,000,000	17,530,864	0.31
Mitsubishi UFJ Financial Group Inc 0.848% 19/07/2029	1,000,000	8,921,453	0.16
Philippine Government International Bond 0.875% 17/05/2027	2,000,000	17,965,680	0.31
Shinhan Bank Co Ltd 0.25% 16/10/2024	2,500,000	21,766,389	0.38
Spain Government Bond 1.40% 30/07/2028	6,000,000	57,449,328	1.00
Spain Government Bond 1.50% 30/04/2027	4,000,000	38,604,168	0.68
Spain Government Bond 1.95% 30/04/2026	2,000,000	19,752,564	0.35
Spain Government Bond 1.95% 30/07/2030	7,000,000	70,712,799	1.24
Spain Government Bond 2.70% 31/10/2048	1,500,000	17,510,184	0.31
Spain Government Bond 4.20% 31/01/2037	2,000,000	27,388,636	0.48
Spain Government Bond 6.00% 31/01/2029	2,000,000	27,229,651	0.48
<i>Denominated in Hong Kong dollar (0.40%)</i>			
China Overseas Finance Cayman VIII Ltd 2.90% 15/01/2025	23,000,000	23,102,293	0.40
<i>Denominated in Indonesian rupiah (1.12%)</i>			
Indonesia Treasury Bond 5.625% 15/05/2023	115,000,000,000	63,850,661	1.12
<i>Denominated in Japanese yen (16.36%)</i>			
Apple Inc 0.35% 10/06/2020	920,000,000	66,054,612	1.16
Bank of China Ltd/Tokyo 0.42% 29/11/2021	500,000,000	35,899,459	0.63
Berkshire Hathaway Inc 0.17% 13/09/2024	500,000,000	35,706,695	0.62
Berkshire Hathaway Inc 0.44% 13/09/2029	300,000,000	21,431,873	0.37
BPCE SA 0.192% 24/06/2024	500,000,000	35,700,601	0.62
Canadian Imperial Bank of Commerce 0.295% 18/10/2024	500,000,000	35,771,527	0.63
China Construction Bank Corp/Tokyo 0.21% 24/06/2022	700,000,000	50,052,538	0.88

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (97.34%) (continued)			
Bonds (97.34%) (continued)			
<i>Denominated in Japanese yen (16.36%) (continued)</i>			
China Eastern Airlines Corp Ltd 0.64% 16/03/2021	100,000,000	7,198,493	0.13
China Eastern Airlines Corp Ltd 0.64% 16/03/2021	100,000,000	7,198,493	0.13
Citigroup Inc 2.04% 16/09/2020	100,000,000	7,306,503	0.13
Citigroup Inc 2.40% 31/10/2025	180,000,000	14,235,333	0.25
Corning Inc 0.698% 09/08/2024	250,000,000	17,897,127	0.31
Electricite de France SA 1.088% 26/01/2027	200,000,000	14,795,449	0.26
Electricite de France SA 1.088% 26/01/2027	200,000,000	14,795,449	0.26
Foxconn Far East Ltd 0.52% 20/09/2022	200,000,000	14,363,002	0.25
Foxconn Far East Ltd 0.70% 20/09/2024	100,000,000	7,196,081	0.13
Japan Government Ten Year Bond 0.10% 20/06/2029	400,000,000	29,041,589	0.51
Japan Government Thirty Year Bond 0.40% 20/06/2049	700,000,000	50,116,040	0.88
Japan Government Thirty Year Bond 0.50% 20/03/2049	900,000,000	66,306,471	1.16
Japan Government Thirty Year Bond 0.70% 20/12/2048	700,000,000	54,289,655	0.95
Japan Government Thirty Year Bond 0.90% 20/09/2048	400,000,000	32,628,333	0.57
Japan Government Twenty Year Bond 0.40% 20/03/2036	950,000,000	70,581,866	1.23
Japan Government Twenty Year Bond 0.60% 20/12/2037	600,000,000	45,794,805	0.80
Japan Government Twenty Year Bond 0.70% 20/09/2038	400,000,000	31,058,259	0.54
MetLife Inc 0.495% 22/05/2026	500,000,000	35,791,608	0.63
Procter & Gamble Co/The 0.275% 08/05/2020	950,000,000	68,186,279	1.19
Walmart Inc 0.183% 15/07/2022	200,000,000	14,378,202	0.25

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (97.34%) (continued)			
Bonds (97.34%) (continued)			
<i>Denominated in Japanese yen (16.36%) (continued)</i>			
Walmart Inc 0.298% 18/07/2024	300,000,000	21,581,803	0.38
Walmart Inc 0.52% 16/07/2027	400,000,000	29,228,983	0.51
<i>Denominated in Singapore dollar (0.21%)</i>			
CapitaLand Treasury Ltd 3.08% 19/10/2027	2,000,000	11,807,850	0.21
<i>Denominated in United States dollar (45.48%)</i>			
Abu Dhabi National Energy Co PJSC 4.00% 03/10/2049	1,800,000	14,635,733	0.26
ANZ New Zealand Int'l Ltd/London FRN 25/01/2022	5,000,000	39,689,599	0.69
Bangkok Bank PCL/Hong Kong 3.733% 25/09/2034	5,100,000	40,857,806	0.71
Bluestar Finance Holdings Ltd 3.50% 30/09/2021	5,000,000	39,737,308	0.70
Chalco Hong Kong Investment Co Ltd 4.875% 07/09/2021	2,300,000	18,759,453	0.33
China Construction Bank Corp/Hong Kong FRN 22/10/2022	1,950,000	15,289,950	0.27
China Huaneng Group Hong Kong Treasury Management Holding Ltd 2.40% 10/12/2022	3,000,000	23,434,783	0.41
China Huaneng Group Hong Kong Treasury Management Holding Ltd 2.60% 10/12/2024	4,400,000	34,401,756	0.60
China Huaneng Group Hong Kong Treasury Management Holding Ltd 3.00% 10/12/2029	3,000,000	23,494,156	0.41
Clifford Capital Pte Ltd 3.423% 15/11/2021	3,700,000	29,699,573	0.52
CMHI Finance BVI Co Ltd 4.375% 06/08/2023	2,300,000	19,139,275	0.33
CMT MTN Pte Ltd 3.609% 04/04/2029	4,000,000	32,788,897	0.57
CNAC HK Finbridge Co Ltd 4.125% 14/03/2021	2,500,000	20,027,864	0.35
CNAC HK Finbridge Co Ltd 4.75% 19/06/2049	3,900,000	34,603,561	0.61
Commonwealth Bank of Australia 3.743% 12/09/2039	4,600,000	36,575,734	0.64
Competition Team Technologies Ltd 3.75% 12/03/2024	2,000,000	16,262,337	0.28
Dianjian Haiyu Ltd 3.00% 20/06/2022	2,700,000	21,154,979	0.37
Export Import Bank of Thailand FRN 20/11/2023	1,600,000	12,592,612	0.22
Export Import Bank of Thailand FRN 23/05/2024	6,000,000	47,107,347	0.82
Export-Import Bank of Korea FRN 01/06/2021	2,500,000	19,575,312	0.34
Export-Import Bank of Korea FRN 25/06/2022	1,900,000	14,853,181	0.26

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (97.34%) (continued)			
Bonds (97.34%) (continued)			
<i>Denominated in United States dollar (45.48%) (continued)</i>			
Hanwha Energy USA Holdings Corp 2.375% 30/07/2022	2,000,000	15,817,388	0.28
ICBCIL Finance Co Ltd FRN 20/11/2024	2,700,000	21,132,747	0.37
Industrial & Commercial Bank of China Macau Ltd 2.875% 12/09/2029	5,950,000	46,295,620	0.81
Industrial Bank of Korea FRN 02/08/2021	4,500,000	35,331,045	0.62
Kasikornbank PCL/Hong Kong 3.343% 02/10/2031	3,000,000	23,695,293	0.41
KEB Hana Bank FRN 02/10/2022	2,650,000	20,869,631	0.36
KEB Hana Bank FRN 13/03/2023	5,000,000	39,222,703	0.69
King Power Capital Ltd 5.625% 03/11/2024	3,600,000	31,797,826	0.56
Kookmin Bank 2.875% 25/03/2023	3,500,000	27,882,642	0.49
Korea Development Bank/The FRN 12/03/2021	1,800,000	14,069,762	0.25
Korea East-West Power Co Ltd 3.875% 19/07/2023	3,100,000	25,819,022	0.45
Korea International Bond 2.50% 19/06/2029	4,500,000	35,544,998	0.62
Korea International Bond 3.50% 20/09/2028	1,000,000	8,567,317	0.15
Korea International Bond 3.875% 20/09/2048	1,200,000	11,418,341	0.20
Korea National Oil Corp FRN 16/07/2023	2,900,000	22,951,920	0.40
Korean Air Lines Co Ltd 2.00% 04/09/2022	8,500,000	66,359,475	1.16
Longfor Group Holdings Ltd 3.95% 16/09/2029	2,900,000	22,895,196	0.40
LOTTE Property & Development Co Ltd FRN 06/08/2022	5,450,000	42,810,737	0.75
LOTTE Property & Development Co Ltd FRN 07/08/2021	2,550,000	20,059,961	0.35
MDGH – GMTN BV 2.50% 07/11/2024	2,450,000	19,245,309	0.34
MDGH – GMTN BV 3.70% 07/11/2049	2,800,000	22,766,526	0.40
Mega Advance Investments Ltd 5.00% 12/05/2021	3,000,000	24,231,780	0.42
Mitsubishi UFJ Financial Group Inc FRN 26/07/2023	2,000,000	15,752,340	0.28
Mizuho Financial Group Inc FRN 11/09/2022	3,500,000	27,449,526	0.48
Mizuho Financial Group Inc FRN 13/09/2023	4,000,000	31,344,701	0.55
Mizuho Financial Group Inc FRN 16/07/2023	4,300,000	33,862,461	0.59
National Australia Bank Ltd 3.933% 02/08/2034	5,000,000	41,100,134	0.72
Pertamina Persero PT 4.70% 30/07/2049	2,900,000	24,604,444	0.43
Perusahaan Listrik Negara PT 3.375% 05/02/2030	1,100,000	8,631,580	0.15
Perusahaan Listrik Negara PT 6.15% 21/05/2048	1,500,000	14,870,539	0.26
Powerchina Real Estate Group Ltd 4.50% 06/12/2021	2,200,000	17,640,712	0.31
PSA Treasury Pte Ltd 2.125% 05/09/2029	5,400,000	41,168,467	0.72
PTT PCL 5.875% 03/08/2035	3,500,000	35,278,516	0.62
PTTEP Treasury Center Co Ltd 3.903% 06/12/2059	1,700,000	13,324,620	0.23
QNB Finance Ltd FRN 02/05/2022	3,750,000	29,433,609	0.51
Shinhan Financial Group Co Ltd 3.34% 05/02/2030	1,650,000	13,224,756	0.23

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (97.34%) (continued)			
Bonds (97.34%) (continued)			
<i>Denominated in United States dollar (45.48%) (continued)</i>			
SPIC 2016 US dollar Bond Co Ltd 3.875% 06/12/2026	2,500,000	20,622,000	0.36
State Elite Global Ltd FRN 24/10/2024	5,300,000	41,503,307	0.73
Sumitomo Mitsui Financial Group Inc 3.202% 17/09/2029	6,150,000	49,196,656	0.86
Sumitomo Mitsui Financial Group Inc FRN 12/07/2022	3,000,000	23,637,336	0.41
Sunny Express Enterprises Corp 3.50% 21/03/2022	2,100,000	16,861,560	0.29
Temasek Financial I Ltd 3.625% 01/08/2028	850,000	7,386,232	0.13
United States Treasury Bill 0.00% 20/02/2020	6,000,000	46,656,005	0.82
United States Treasury Bill 0.00% 23/04/2020	6,000,000	46,530,466	0.81
United States Treasury Bill 0.00% 30/04/2020	6,000,000	46,517,466	0.81
United States Treasury Bill 0.00% 07/05/2020	5,000,000	38,752,946	0.68
United States Treasury Bill 0.00% 14/05/2020	6,000,000	46,489,582	0.81
United States Treasury Bill 0.00% 21/05/2020	5,000,000	38,729,671	0.68
United States Treasury Bill 0.00% 11/06/2020	6,000,000	46,433,016	0.81
United States Treasury Bill 0.00% 18/06/2020	6,000,000	46,416,745	0.81
United States Treasury Bill 0.00% 25/06/2020	6,000,000	46,403,413	0.81
United States Treasury Note/Bond 1.625% 15/08/2029	13,000,000	99,319,525	1.74
United States Treasury Note/Bond 1.75% 15/11/2029	23,500,000	180,745,902	3.16
United States Treasury Note/Bond 2.25% 15/08/2049	13,000,000	99,139,234	1.73
United States Treasury Note/Bond 2.375% 15/05/2029	5,000,000	40,618,586	0.71
United States Treasury Note/Bond 2.875% 15/05/2049	7,600,000	65,502,721	1.15
United States Treasury Note/Bond 3.00% 15/02/2049	4,000,000	35,511,248	0.62
Woori Bank FRN 21/05/2024	2,200,000	17,276,098	0.30
Total listed/quoted investments		5,564,917,613	97.34
Other net assets		152,036,528	2.66
Total investments, at cost		5,471,528,161	
Total net asset		5,716,954,141	100.00

Note: Investments are accounted for on a trade date basis.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT HONG KONG GROWTH FUND

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.34%)			
Equities (97.52%)			
<i>China and Hong Kong (97.52%)</i>			
AIA Group Ltd	3,000,196	245,416,033	8.10
Alibaba Group Holding Ltd	180,000	37,296,000	1.23
A-Living Services Co Ltd – H	1,750,000	47,075,000	1.55
Anhui Conch Cement Co Ltd – H	500,000	28,400,000	0.94
Bank of China Ltd – H	13,733,000	45,730,890	1.51
BOC Hong Kong Holdings Ltd	2,000,000	54,100,000	1.79
C&S Paper Co Ltd – A	1,299,956	18,410,695	0.61
China Construction Bank Corp – H	22,000,910	148,066,125	4.89
China Gas Holdings Ltd	800,000	23,360,000	0.77
China Life Insurance Co Ltd – H	2,685,000	58,130,250	1.92
China Mengniu Dairy Co Ltd	1,500,000	47,250,000	1.56
China Merchants Bank Co Ltd – H	900,000	36,045,000	1.19
China Mobile Ltd	1,200,000	78,600,000	2.59
China Oilfield Services Ltd – H	2,200,000	26,884,000	0.89
China Petroleum & Chemical Corp – H	2,800,000	13,132,000	0.43
China Resources Beer Holdings Co Ltd	800,000	34,480,000	1.14
China Resources Land Ltd	276,000	10,708,800	0.35
China Tower Corp Ltd – H	10,000,000	17,200,000	0.57
China Unicom Hong Kong Ltd	1,650,000	12,111,000	0.40
CIFI Holdings Group Co Ltd	4,200,000	27,678,000	0.91
CK Asset Holdings Ltd	1,000,000	56,250,000	1.86
CK Hutchison Holdings Ltd	800,000	59,440,000	1.96
CLP Holdings Ltd	250,000	20,475,000	0.68
CNOOC Ltd	4,500,000	58,320,000	1.92
CSPC Pharmaceutical Group Ltd	1,000,000	18,580,000	0.61
Dongfeng Motor Group Co Ltd – H	2,600,000	19,058,000	0.63
Galaxy Entertainment Group Ltd	1,000,000	57,400,000	1.89
Guangzhou Automobile Group Co Ltd – H	3,000,000	29,100,000	0.96
Guangzhou R&F Properties Co Ltd – H	1,500,000	21,570,000	0.71
Hang Seng Bank Ltd	70,000	11,270,000	0.37
Hangzhou Tigermed Consulting Co Ltd – A	199,905	14,122,280	0.47
Henderson Land Development Co Ltd	900,000	34,425,000	1.14
Hong Kong Exchanges & Clearing Ltd	410,000	103,730,000	3.42
HSBC Holdings PLC	3,045,200	185,300,420	6.12
Huatai Securities Co Ltd – H	2,000,000	27,560,000	0.91
Industrial & Commercial Bank of China Ltd – H	20,000,915	120,005,490	3.96
Jiangsu Hengrui Medicine Co Ltd – A	149,961	14,682,278	0.48
Kunlun Energy Co Ltd	3,800,000	26,144,000	0.86
Kweichow Moutai Co Ltd – A	15,000	19,851,065	0.65

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT HONG KONG GROWTH FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.34%) (continued)			
Equities (97.52%) (continued)			
<i>China and Hong Kong (97.52%) (continued)</i>			
KWG Group Holdings Ltd	2,800,000	30,576,000	1.01
Longfor Group Holdings Ltd	100,000	3,650,000	0.12
Luxshare Precision Industry Co Ltd – A	1,149,862	46,951,168	1.55
Meituan Dianping – CL B	380,000	38,722,000	1.28
Melco International Development Ltd	700,000	15,330,000	0.51
New World Development Co Ltd	6,500,000	69,420,000	2.29
PetroChina Co Ltd – H	7,000,000	27,370,000	0.90
Ping An Insurance Group Co of China Ltd – H	1,299,500	119,683,950	3.95
Sands China Ltd	1,100,000	45,815,000	1.51
Shenzhen International Group Holdings Ltd	308,000	35,081,200	1.16
Sino Biopharmaceutical Ltd	2,600,000	28,340,000	0.94
Sun Hung Kai Properties Ltd	350,000	41,755,000	1.38
Sunac China Holdings Ltd	1,800,000	83,790,000	2.77
Sunny Optical Technology Group Co Ltd	200,000	26,980,000	0.89
Swire Properties Ltd	400,000	10,340,000	0.34
Techtronic Industries Co Ltd	490,000	31,139,500	1.03
Tencent Holdings Ltd	760,000	285,456,000	9.42
Wharf Real Estate Investment Co Ltd	300,000	14,265,000	0.47
Will Semiconductor Ltd – A	129,992	20,853,243	0.69
Wuliangye Yibin Co Ltd – A	134,980	20,084,523	0.66
Wuxi Biologics Cayman Inc	180,000	17,757,000	0.59
Xinyi Solar Holdings Ltd	3,000,000	16,590,000	0.55
Zhaojin Mining Industry Co Ltd – H	2,000,000	17,220,000	0.57
Real estate investment trust (0.82%)			
<i>China and Hong Kong (0.82%)</i>			
Link REIT	300,000	24,750,000	0.82
Total listed/quoted investments		2,979,276,910	98.34
Other net assets		50,368,943	1.66
Total investments, at cost		2,622,653,416	
Total net asset		3,029,645,853	100.00

Note: Investments are accounted for on a trade date basis.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GREATER CHINA GROWTH FUND

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (99.02%)			
Equities (97.93%)			
<i>China and Hong Kong (70.03%)</i>			
AAC Technologies Holdings Inc	304,500	20,706,000	1.06
AIA Group Ltd	1,229,400	100,564,920	5.16
AK Medical Holdings Ltd	990,000	8,692,200	0.45
Alibaba Group Holding Ltd	103,400	21,424,480	1.10
Chacha Food Co Ltd – A	318,400	12,099,751	0.62
China Aoyuan Group Ltd	1,256,000	15,951,200	0.82
China Construction Bank Corp – H	7,534,000	50,703,820	2.60
China Galaxy Securities Co Ltd – H	6,559,000	30,105,810	1.54
China Mengniu Dairy Co Ltd	943,000	29,704,500	1.52
China Merchants Bank Co Ltd – H	372,500	14,918,625	0.77
China Oilfield Services Ltd – H	2,532,000	30,941,040	1.59
China Resources Beer Holdings Co Ltd	762,000	32,842,200	1.68
Chow Tai Fook Jewellery Group Ltd	1,540,200	11,474,490	0.59
CIFI Holdings Group Co Ltd	2,340,000	15,420,600	0.79
CNOOC Ltd	2,177,000	28,213,920	1.45
Country Garden Services Holdings Co Ltd	1,016,000	26,670,000	1.37
CSPC Pharmaceutical Group Ltd	454,000	8,435,320	0.43
Ever Sunshine Lifestyle Services Group Ltd	4,776,000	25,217,280	1.29
Haitong Securities Co Ltd – H	2,255,600	20,774,076	1.07
Hangzhou Tigermed Consulting Co Ltd – A	238,123	16,822,189	0.86
Hong Kong Exchanges & Clearing Ltd	127,500	32,257,500	1.65
Huatai Securities Co Ltd – H	1,793,600	24,715,808	1.27
Industrial & Commercial Bank of China Ltd – H	4,544,000	27,264,000	1.40
Kweichow Moutai Co Ltd – A	10,000	13,234,043	0.68
KWG Group Holdings Ltd	1,776,500	19,399,380	1.00
Meituan Dianping – CL B	405,300	41,300,070	2.12
New World Development Co Ltd	4,220,000	45,069,600	2.31
Nine Dragons Paper Holdings Ltd	2,386,000	19,326,600	0.99
PICC Property & Casualty Co Ltd – H	826,000	7,756,140	0.40
Ping An Healthcare and Technology Co Ltd	659,400	37,486,890	1.92
Ping An Insurance Group Co of China Ltd – H	205,000	18,880,500	0.97
Postal Savings Bank of China Co Ltd – H	2,633,000	13,954,900	0.72
Semiconductor Manufacturing International Corp	1,193,000	14,244,420	0.73
SG Micro Corp – A	52,378	14,793,935	0.76
Shangri-La Asia Ltd	1,322,000	10,761,080	0.55
Shenzhen International Group Holdings Ltd	283,100	32,245,090	1.65
Shimao Property Holdings Ltd	686,000	20,717,200	1.06
Sino Biopharmaceutical Ltd	2,845,000	31,010,500	1.59
Skshu Paint Co Ltd – A	116,649	10,524,300	0.54
Sunac China Holdings Ltd	678,000	31,560,900	1.62

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GREATER CHINA GROWTH FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (99.02%) (continued)			
Equities (97.93%) (continued)			
<i>China and Hong Kong (70.03%) (continued)</i>			
Techtronic Industries Co Ltd	402,000	25,547,100	1.31
Tencent Holdings Ltd	493,000	185,170,800	9.50
Tongcheng-Elong Holdings Ltd	1,102,800	15,417,144	0.79
Will Semiconductor Ltd – A	107,346	17,220,384	0.88
Wynn Macau Ltd	1,594,400	30,612,480	1.57
Xinyi Solar Holdings Ltd	6,744,000	37,294,320	1.91
Xtep International Holdings Ltd	3,850,500	15,941,070	0.82
Zhejiang Sanhua Intelligent Controls Co Ltd – A	462,600	8,968,339	0.46
Zoomlion Heavy Industry Science and Technology Co Ltd – H	6,258,000	40,864,740	2.10
<i>Taiwan (25.49%)</i>			
Alchip Technologies Ltd	475,000	28,952,592	1.48
E.Sun Financial Holding Co Ltd	3,951,274	28,654,467	1.47
Fubon Financial Holding Co Ltd	937,000	11,300,784	0.58
Hiwin Technologies Corp	318,000	23,226,535	1.19
Johnson Health Tech Co Ltd	988,000	21,828,649	1.12
Largan Precision Co Ltd	15,000	19,494,507	1.00
MediaTek Inc	465,000	53,604,045	2.75
Novatek Microelectronics Corp	218,000	12,409,423	0.64
Pegavisision Corp	132,000	6,227,325	0.32
Realtek Semiconductor Corp	302,000	18,447,002	0.95
Silergy Corp	62,000	15,309,686	0.79
St Shine Optical Co Ltd	1,000	118,137	0.01
Taiwan Semiconductor Manufacturing Co Ltd	2,194,325	188,790,412	9.68
United Microelectronics Corp	6,833,000	29,216,508	1.50
Win Semiconductors Corp	363,000	27,739,903	1.42
Yuanta Financial Holding Co Ltd	2,185,000	11,472,387	0.59

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GREATER CHINA GROWTH FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (99.02%) (continued)			
Equities (97.93%) (continued)			
<i>The United States of America (2.41%)</i>			
Luckin Coffee Inc – ADR	39,059	11,978,824	0.61
Vipshop Holdings Ltd – SPON ADR	317,629	35,069,370	1.80
Real estate investment trust (1.09%)			
<i>China and Hong Kong (1.09%)</i>			
Link REIT	258,500	21,326,250	1.09
Total listed/quoted investments		<u>1,930,388,460</u>	<u>99.02</u>
Other net assets		<u>19,050,585</u>	<u>0.98</u>
Total investments, at cost		<u>1,615,325,139</u>	
Total net assets		<u>1,949,439,045</u>	<u>100.00</u>

Note: Investments are accounted for on a trade date basis.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT HONG KONG DOLLAR (HK\$) BOND FUND

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (98.87%)			
Bonds (87.20%)			
<i>Denominated in Hong Kong Dollar (75.79%)</i>			
AIA Group Ltd 2.95% 16/07/2022	22,000,000	22,344,150	1.49
Airport Authority 2.25% 05/09/2022	5,000,000	5,018,763	0.33
Australia & New Zealand Banking Group Ltd 3.055% 30/01/2026	20,000,000	20,967,047	1.39
Bank of China Ltd/Hong Kong 3.30% 20/11/2020	15,000,000	15,184,759	1.01
BOC Aviation Ltd 3.25% 27/07/2027	30,000,000	30,404,495	2.02
CDBL Funding 2 3.60% 16/11/2021	20,000,000	20,344,803	1.35
Champion MTN Ltd 3.73% 06/04/2028	9,000,000	9,244,816	0.61
China Overseas Finance Cayman VIII Ltd 2.90% 15/01/2025	36,000,000	36,160,110	2.40
CK Property Finance MTN Ltd 2.25% 25/08/2022	35,000,000	34,777,837	2.31
CK Property Finance MTN Ltd 2.69% 01/09/2027	9,000,000	8,920,509	0.59
CLP Power Hong Kong Financing Ltd 3.97% 23/03/2026	10,000,000	10,779,415	0.72
Commonwealth Bank of Australia 2.83% 20/02/2024	5,000,000	5,149,816	0.34
Commonwealth Bank of Australia 3.36% 30/03/2027	10,000,000	9,966,882	0.66
DBS Group Holdings Ltd 3.24% 19/04/2026	20,000,000	20,253,425	1.35
HKCG Finance Ltd 2.30% 17/06/2026	18,000,000	17,651,674	1.17
HKCG Finance Ltd 2.65% 03/07/2027	10,000,000	10,054,874	0.67
HKCG Finance Ltd 2.85% 10/11/2025	18,000,000	18,295,653	1.22
HKCG Finance Ltd 3.00% 13/09/2021	20,000,000	20,430,654	1.36
Hong Kong Government Bond 0.97% 20/06/2022	10,000,000	9,828,728	0.65
Hong Kong Government Bond 2.31% 21/06/2021	45,000,000	45,399,296	3.02
Hong Kong Government Bond 2.44% 07/12/2020	10,000,000	10,079,005	0.67

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

**BEA UNION INVESTMENT HONG KONG DOLLAR (HK\$) BOND FUND
(CONTINUED)**

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (98.87%) (continued)			
Bonds (87.20%) (continued)			
<i>Denominated in Hong Kong Dollar (75.79%) (continued)</i>			
Hong Kong Government Bond Programme 1.16% 18/05/2022	20,000,000	19,768,734	1.31
Hong Kong Government Bond Programme 1.97% 17/01/2029	9,000,000	9,208,699	0.61
Hong Kong Government Bond Programme 2.02% 07/03/2034	30,000,000	30,905,179	2.06
Hong Kong Mortgage Corp Ltd 1.92% 10/05/2022	19,000,000	19,127,890	1.27
Hong Kong Mortgage Corp Ltd 1.96% 16/03/2020	4,500,000	4,566,266	0.30
Hong Kong Mortgage Corp Ltd 2.18% 19/10/2020	33,000,000	33,133,746	2.20
Hong Kong Mortgage Corp Ltd 2.40% 27/09/2021	36,000,000	36,374,923	2.42
Hong Kong Mortgage Corp Ltd 2.85% 04/10/2021	20,000,000	20,370,424	1.35
Hong Kong Mortgage Corp Ltd 3.84% 09/03/2020	10,000,000	10,340,992	0.69
Hong Kong Mortgage Corp Ltd 4.525% 02/09/2020	26,000,000	26,488,901	1.76
Hong Kong Mortgage Corp Ltd 5.40% 31/05/2021	15,000,000	16,136,865	1.07
Hong Kong Science & Technology Parks Corp 3.20% 11/07/2024	18,000,000	19,118,853	1.27
Hong Kong Treasury Bill 0.00% 08/01/2020	10,000,000	9,996,488	0.66
Hongkong Land Notes Co Ltd 2.90% 07/12/2022	1,000,000	1,013,106	0.07
Hongkong Land Notes Co Ltd 3.86% 07/03/2022	2,000,000	2,065,272	0.14
Hongkong Land Notes Co Ltd 4.10% 28/07/2025	10,000,000	10,933,228	0.73
Hysan MTN Ltd 3.05% 10/06/2029	10,000,000	9,906,462	0.66
Hysan MTN Ltd 3.66% 28/11/2025	35,000,000	36,496,191	2.43
Hysan MTN Ltd 3.78% 31/08/2020	31,000,000	31,365,925	2.09
KEB Hana Bank 2.61% 22/03/2021	1,000,000	1,001,904	0.07

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

**BEA UNION INVESTMENT HONG KONG DOLLAR (HK\$) BOND FUND
(CONTINUED)**

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (98.87%) (continued)			
Bonds (87.20%) (continued)			
<i>Denominated in Hong Kong Dollar (75.79%) (continued)</i>			
MTR Corp CI Ltd 1.92% 26/10/2022	53,000,000	52,871,532	3.52
MTR Corp CI Ltd 2.56% 02/05/2021	20,000,000	20,216,979	1.34
Nan Fung Treasury Ltd 3.85% 30/01/2023	2,000,000	2,033,848	0.14
Nan Fung Treasury Ltd 3.95% 08/11/2022	1,000,000	1,018,325	0.07
National Australia Bank Ltd 3.73% 17/05/2026	24,000,000	24,132,243	1.61
State Grid Overseas Investment 2016 Ltd 2.70% 17/04/2024	5,000,000	5,073,780	0.34
State Grid Overseas Investment 2016 Ltd 2.85% 17/04/2029	10,000,000	10,346,256	0.69
Sun Hung Kai Properties Capital Market Ltd 2.28% 25/08/2026	3,000,000	2,906,789	0.19
Sun Hung Kai Properties Capital Market Ltd 2.55% 16/08/2024	10,000,000	9,965,531	0.66
Sun Hung Kai Properties Capital Market Ltd 2.75% 30/04/2021	10,000,000	10,101,391	0.67
Sun Hung Kai Properties Capital Market Ltd 2.95% 08/05/2023	10,000,000	10,161,527	0.68
Sun Hung Kai Properties Capital Market Ltd 2.95% 08/05/2023	2,000,000	2,032,305	0.14
Sun Hung Kai Properties Capital Market Ltd 3.12% 15/02/2026	20,000,000	20,463,337	1.36
Sun Hung Kai Properties Capital Market Ltd 3.25% 05/12/2022	6,000,000	6,133,157	0.41
Sun Hung Kai Properties Capital Market Ltd 3.25% 05/12/2022	6,000,000	6,119,969	0.41
Sun Hung Kai Properties Capital Market Ltd 3.25% 05/12/2022	9,000,000	9,179,954	0.61
Sun Hung Kai Properties Capital Market Ltd 3.25% 30/07/2023	10,000,000	10,346,235	0.69
Sun Hung Kai Properties Capital Market Ltd 3.35% 11/09/2023	10,000,000	10,261,500	0.68

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT HONG KONG DOLLAR (HK\$) BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (98.87%) (continued)			
Bonds (87.20%) (continued)			
<i>Denominated in Hong Kong Dollar (75.79%) (continued)</i>			
Sun Hung Kai Properties Capital Market Ltd 4.00% 16/04/2024	4,000,000	4,245,825	0.28
Sun Hung Kai Properties Capital Market Ltd 4.05% 24/02/2021	8,000,000	8,187,723	0.54
Swire Pacific MTN Financing Ltd 2.50% 27/04/2022	21,000,000	21,049,236	1.40
Swire Pacific MTN Financing Ltd 2.85% 18/07/2022	10,000,000	10,124,391	0.67
Swire Pacific MTN Financing Ltd 2.90% 24/01/2023	13,000,000	13,187,357	0.88
Swire Pacific MTN Financing Ltd 2.95% 06/08/2029	10,000,000	9,888,471	0.66
Swire Pacific MTN Financing Ltd 3.00% 22/03/2023	8,000,000	8,106,247	0.54
Swire Pacific MTN Financing Ltd 3.15% 15/11/2022	6,000,000	6,117,765	0.41
Swire Pacific MTN Financing Ltd 3.68% 27/05/2024	5,000,000	5,211,307	0.35
Swire Properties MTN Financing Ltd 1.80% 17/08/2021	2,000,000	1,988,447	0.13
Swire Properties MTN Financing Ltd 2.55% 18/08/2024	10,500,000	10,517,694	0.70
Swire Properties MTN Financing Ltd 2.60% 05/07/2025	9,000,000	9,014,880	0.60
Swire Properties MTN Financing Ltd 2.65% 03/06/2026	12,000,000	11,948,564	0.79
Swire Properties MTN Financing Ltd 2.80% 26/03/2025	7,000,000	7,046,326	0.47
Swire Properties MTN Financing Ltd 3.00% 06/11/2025	10,000,000	10,207,186	0.68
Swire Properties MTN Financing Ltd 3.00% 07/04/2027	10,000,000	10,183,215	0.68
Swire Properties MTN Financing Ltd 3.55% 17/07/2024	6,000,000	6,297,530	0.42
United Overseas Bank Ltd 3.19% 26/08/2028	20,000,000	19,946,095	1.33

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT HONG KONG DOLLAR (HK\$) BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (98.87%) (continued)			
Bonds (87.20%) (continued)			
<i>Denominated in Hong Kong Dollar (75.79%) (continued)</i>			
Victoria Power Networks Finance Pty Ltd 3.29% 24/02/2027	3,000,000	3,186,230	0.21
Westpac Banking Corp 3.15% 14/07/2027	10,000,000	10,127,659	0.67
Wharf REIC Finance BVI Ltd 3.10% 17/04/2025	10,000,000	10,224,732	0.68
<i>Denominated in United States Dollar (11.41%)</i>			
Bangkok Bank PCL/Hong Kong 3.733% 25/09/2034	600,000	4,806,801	0.32
China Huaneng Group Hong Kong Treasury Management Holding Ltd 3.00% 10/12/2029	1,200,000	9,397,662	0.63
CK Hutchison International 19 II Ltd 3.375% 06/09/2049	900,000	6,885,984	0.46
Commonwealth Bank of Australia 3.61% 12/09/2034	750,000	5,978,146	0.40
Commonwealth Bank of Australia 3.743% 12/09/2039	1,150,000	9,143,933	0.61
HKT Capital No. 5 Ltd 3.25% 30/09/2029	900,000	7,045,829	0.47
MDGH – GMTN BV 2.875% 07/11/2029	800,000	6,318,544	0.42
MDGH – GMTN BV 3.70% 07/11/2049	750,000	6,098,177	0.41
Mitsubishi UFJ Financial Group Inc 3.751% 18/07/2039	1,950,000	16,946,702	1.13
National Australia Bank Ltd 3.933% 02/08/2034	1,650,000	13,563,044	0.90
Santos Finance Ltd 5.25% 13/03/2029	1,400,000	12,009,194	0.80
Sinopec Group Overseas Development 2018 Ltd 3.68% 08/08/2049	1,100,000	8,887,491	0.59
Sumitomo Mitsui Financial Group Inc 3.202% 17/09/2029	600,000	4,799,674	0.32
United States Treasury Note/Bond 2.375% 15/11/2049	3,700,000	28,823,484	1.92
United States Treasury Note/Bond 2.875% 15/05/2049	2,500,000	21,546,948	1.43
United States Treasury Note/Bond 3.375% 15/11/2048	950,000	8,962,912	0.60

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT HONG KONG DOLLAR (HK\$) BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (98.87%) (continued)			
Certificates of deposit (11.67%)			
<i>Denominated in Hong Kong Dollar (11.67%)</i>			
Bank of China Ltd/Hong Kong 2.59% 25/07/2022	20,000,000	20,244,460	1.35
Bank of China Ltd/Hong Kong 2.59% 17/10/2022	10,000,000	10,053,550	0.67
Bank of China Ltd/Macau 2.34% 15/10/2020	19,000,000	19,011,554	1.26
China Development Bank Corp 3.20% 05/12/2022	11,000,000	11,195,512	0.74
China Development Bank Corp 3.91% 18/05/2020	2,000,000	2,058,743	0.14
Fubon Bank Hong Kong Ltd 2.39% 31/10/2022	10,000,000	9,973,501	0.66
Fubon Bank Hong Kong Ltd 3.25% 24/12/2021	20,000,000	20,253,267	1.35
MUFG Bank Ltd/Hong Kong 2.05% 17/03/2021	3,000,000	2,996,814	0.20
MUFG Bank Ltd/Hong Kong 2.16% 05/07/2022	40,000,000	40,019,339	2.66
MUFG Bank Ltd/Hong Kong 2.42% 09/05/2022	10,000,000	10,170,033	0.68
MUFG Bank Ltd/Hong Kong 2.60% 01/03/2022	10,000,000	10,264,136	0.68
Sumitomo Mitsui Banking Corp/Hong Kong 2.40% 10/03/2021	7,000,000	7,024,502	0.47
Sumitomo Mitsui Banking Corp/Hong Kong 2.70% 21/02/2022	12,000,000	12,108,919	0.81
Total listed/quoted investments		<u>1,486,337,152</u>	<u>98.87</u>
Other net assets		<u>17,079,827</u>	<u>1.13</u>
Total investments, at cost		<u>1,478,186,013</u>	
Total net asset		<u>1,503,416,979</u>	<u>100.00</u>

Note: Investments are accounted for on a trade date basis.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%)			
Equities (98.56%)			
<i>Australia (2.00%)</i>			
Australia & New Zealand Banking Group Ltd	12,823	1,729,882	0.10
BHP Group Ltd	10,586	2,256,665	0.14
Commonwealth Bank of Australia	7,998	3,500,182	0.21
CSL Ltd	8,464	12,784,076	0.78
Macquarie Group Ltd	2,181	1,646,739	0.10
National Australia Bank Ltd	10,321	1,392,351	0.08
Rio Tinto Ltd	3,041	1,672,294	0.10
South32 Ltd	80,311	1,187,685	0.07
Wesfarmers Ltd	9,517	2,158,056	0.13
Westpac Banking Corp	11,248	1,492,764	0.09
Woodside Petroleum Ltd	7,659	1,442,249	0.09
Woolworths Group Ltd	8,732	1,729,436	0.11
<i>Belgium (0.09%)</i>			
Anheuser-Busch Inbev SA/NV	2,409	1,531,988	0.09
<i>Brazil (1.22%)</i>			
Ambev SA	47,200	1,706,893	0.10
B3 SA – Brasil Bolsa Balcao	28,800	2,397,054	0.15
Banco Bradesco SA	37,600	2,481,304	0.15
Petroleo Brasileiro SA	39,400	2,442,115	0.15
Suzano SA	121,000	9,299,873	0.56
Vale SA	17,700	1,827,345	0.11
<i>Canada (2.08%)</i>			
Bank of Montreal	2,600	1,572,265	0.10
Bank of Nova Scotia	4,200	1,851,106	0.11
Barrick Gold Corp	17,800	2,579,759	0.16
Brookfield Asset Management Inc – CL A	5,100	2,299,254	0.14
Canadian Imperial Bank of Commerce	3,500	2,272,558	0.14

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>Canada (2.08%) (continued)</i>			
Canadian National Railway Co	2,700	1,905,779	0.11
Canadian Natural Resources Ltd	11,300	2,851,738	0.17
Canadian Pacific Railway Ltd	1,300	2,585,786	0.16
Enbridge Inc	9,100	2,823,094	0.17
Manulife Financial Corp	13,500	2,138,263	0.13
Nutrien Ltd	3,400	1,270,111	0.08
Royal Bank of Canada	3,300	2,037,406	0.12
Suncor Energy Inc	8,000	2,045,849	0.12
TC Energy Corp	5,800	2,410,265	0.15
Toronto-Dominion Bank	8,300	3,632,204	0.22
<i>China and Hong Kong (3.73%)</i>			
Agricultural Bank of China Ltd – H	453,000	1,553,790	0.09
AIA Group Ltd	54,600	4,466,280	0.27
Bank of China Ltd – H	822,000	2,737,260	0.17
BOC Hong Kong Holdings Ltd	42,500	1,149,625	0.07
China Construction Bank Corp – H	493,000	3,317,890	0.20
China Life Insurance Co Ltd – H	72,000	1,558,800	0.09
China Merchants Bank Co Ltd – H	60,000	2,403,000	0.15
China Mobile Ltd	43,500	2,849,250	0.17
China Overseas Land & Investment Ltd	58,000	1,760,300	0.11
CK Asset Holdings Ltd	27,000	1,518,750	0.09
CK Hutchison Holdings Ltd	21,000	1,560,300	0.09
CLP Holdings Ltd	18,000	1,474,200	0.09
CNOOC Ltd	228,000	2,954,880	0.18
Galaxy Entertainment Group Ltd	25,000	1,435,000	0.09
Hang Seng Bank Ltd	7,700	1,239,700	0.08
Hong Kong & China Gas Co Ltd	111,100	1,690,942	0.10
Hong Kong Exchanges & Clearing Ltd	5,800	1,467,400	0.09

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INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>China and Hong Kong (3.73%) (continued)</i>			
Industrial & Commercial Bank of China Ltd – H	400,000	2,400,000	0.15
PetroChina Co Ltd – H	294,000	1,149,540	0.07
Ping An Insurance Group Co of China Ltd – H	20,000	1,842,000	0.11
Sun Hung Kai Properties Ltd	14,000	1,670,200	0.10
Tencent Holdings Ltd	51,500	19,343,400	1.17
<i>Denmark (0.28%)</i>			
Novo Nordisk A/S – B	10,321	4,670,891	0.28
<i>Finland (0.56%)</i>			
UPM-Kymmene Oyj	34,149	9,232,117	0.56
<i>France (3.48%)</i>			
Air Liquide SA	2,255	2,489,031	0.15
Airbus SE	2,139	2,441,063	0.15
AXA SA	47,163	10,357,918	0.63
BNP Paribas SA	5,220	2,411,990	0.15
Danone SA	2,874	1,857,614	0.11
Edenred	22,902	9,234,187	0.56
EssilorLuxottica SA	1,996	2,370,744	0.14
Kering SA	547	2,799,729	0.17
L'Oreal SA	1,553	3,585,913	0.22
LVMH Moet Hennessy Louis Vuitton SE	1,362	4,934,141	0.30
Safran SA	1,668	2,008,152	0.12
Sanofi	5,049	3,957,625	0.24
Schneider Electric SE	2,799	2,240,001	0.14
TOTAL SA	11,235	4,834,622	0.28
Vinci SA	2,287	1,980,276	0.12

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INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>Germany (4.22%)</i>			
Adidas AG	953	2,415,548	0.15
Allianz SE – REG	1,903	3,635,095	0.22
BASF SE	17,943	10,569,562	0.64
Bayer AG – REG	2,068	1,316,940	0.08
Covestro AG	22,715	8,234,962	0.50
Daimler AG – REG	3,123	1,348,526	0.08
Deutsche Telekom AG – REG	9,425	1,201,061	0.07
Infineon Technologies AG	60,734	10,788,626	0.65
Muenchener Rueckversicherungs AG – REG	4,696	10,802,099	0.66
SAP SE	4,442	4,674,559	0.28
Siemens AG – REG	11,954	12,184,637	0.74
Volkswagen AG	1,616	2,448,719	0.15
<i>India (0.60%)</i>			
Axis Bank Ltd	29,403	2,420,453	0.15
Hindustan Unilever Ltd	7,754	1,627,726	0.10
Housing Development Finance Corp Ltd	6,708	1,766,630	0.11
Reliance Industries Ltd	13,127	2,169,611	0.13
Tata Consultancy Services Ltd	7,742	1,826,942	0.11

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INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>Indonesia (0.35%)</i>			
Bank Central Asia Tbk PT	112,900	2,117,955	0.13
Bank Rakyat Indonesia Persero Tbk PT	802,700	1,982,245	0.12
Telekomunikasi Indonesia Persero Tbk PT	768,200	1,711,655	0.10
<i>Italy (0.37%)</i>			
Enel SpA	38,213	2,363,620	0.14
Eni SpA	10,765	1,303,655	0.08
Intesa Sanpaolo SpA	118,330	2,430,579	0.15
<i>Japan (7.32%)</i>			
Astellas Pharma Inc	12,600	1,689,354	0.10
Bridgestone Corp	4,700	1,371,515	0.08
Canon Inc	6,100	1,306,173	0.08
Central Japan Railway Co	1,000	1,577,361	0.10
Dai-ichi Life Holdings Inc	10,500	1,367,518	0.08
Daiichi Sankyo Co Ltd	5,700	2,953,938	0.18
Daikin Industries Ltd	1,600	1,772,380	0.11
East Japan Railway Co	2,000	1,413,602	0.09
FANUC Corp	1,400	2,040,675	0.12
Fast Retailing Co Ltd	500	2,330,192	0.14
Hitachi Ltd	5,800	1,923,721	0.12
Honda Motor Co Ltd	11,700	2,599,656	0.16
Hoya Corp	14,300	10,714,224	0.65
ITOCHU Corp	10,100	1,835,363	0.11
Japan Tobacco Inc	11,100	1,935,906	0.12
Kao Corp	18,200	11,776,792	0.71
KDDI Corp	7,000	1,632,640	0.10
Keyence Corp	800	2,207,732	0.13
Kirin Holdings Co Ltd	7,200	1,233,783	0.07
Komatsu Ltd	7,200	1,363,872	0.08
Mitsubishi Corp	11,900	2,474,306	0.15

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INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>Japan (7.32%) (continued)</i>			
Mitsubishi Electric Corp	20,700	2,224,004	0.14
Mitsubishi UFJ Financial Group Inc	36,500	1,552,396	0.09
Mitsui & Co Ltd	10,700	1,492,915	0.09
Mizuho Financial Group Inc	183,300	2,211,846	0.13
Murata Manufacturing Co Ltd	4,200	2,031,440	0.12
Nidec Corp	9,600	10,327,986	0.63
Nintendo Co Ltd	800	2,522,057	0.15
Nippon Telegraph & Telephone Corp	10,400	2,055,789	0.12
Nissan Motor Co Ltd	19,700	898,463	0.06
NTT DOCOMO Inc	14,200	3,093,033	0.19
Oriental Land Co Ltd	2,000	2,133,739	0.13
ORIX Corp	11,600	1,506,208	0.09
Recruit Holdings Co Ltd	7,000	2,057,237	0.12
Seven & i Holdings Co Ltd	4,400	1,262,835	0.08
Shin-Etsu Chemical Co Ltd	3,800	3,285,786	0.20
Shiseido Co Ltd	2,500	1,394,889	0.09
SMC Corp	700	2,523,992	0.15
SoftBank Group Corp	5,000	1,704,984	0.10
Sony Corp	3,800	2,016,426	0.12
Sumitomo Corp	11,600	1,350,680	0.08
Sumitomo Mitsui Financial Group Inc	8,800	2,547,753	0.15
Takeda Pharmaceutical Co Ltd	9,858	3,061,862	0.19
Tokio Marine Holdings Inc	4,000	1,754,886	0.11
Tokyo Electron Ltd	1,600	2,744,608	0.17
Toyota Motor Corp	10,200	5,641,417	0.34

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INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>Korea (1.42%)</i>			
Hyundai Mobis Co Ltd	1,201	2,071,555	0.13
Hyundai Motor Co	1,983	1,609,990	0.10
KB Financial Group Inc	4,712	1,512,800	0.09
LG Chem Ltd	643	1,375,524	0.08
NAVER Corp	1,854	2,329,711	0.14
Samsung Electronics Co Ltd	27,340	10,278,889	0.62
Shinhan Financial Group Co Ltd	5,389	1,574,022	0.10
SK Hynix Inc	4,246	2,692,050	0.16
<i>Malaysia (0.08%)</i>			
Public Bank Bhd	33,900	1,255,329	0.08
<i>Netherlands (1.41%)</i>			
Akzo Nobel NV	12,383	9,816,803	0.60
ASML Holding NV	2,275	5,247,058	0.32
ING Groep NV	25,513	2,384,967	0.14
Koninklijke Philips NV	6,059	2,306,291	0.14
Unilever NV	7,580	3,396,392	0.21
<i>Singapore (0.56%)</i>			
DBS Group Holdings Ltd	11,000	1,649,627	0.10
Jardine Matheson Holdings Ltd	3,100	1,342,995	0.08
Oversea-Chinese Banking Corp Ltd	23,900	1,520,649	0.09
Singapore Telecommunications Ltd	83,000	1,620,827	0.10
United Overseas Bank Ltd	20,800	3,183,174	0.19

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AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>South Africa (0.35%)</i>			
FirstRand Ltd	41,710	1,459,563	0.09
Naspers Ltd – N SHS	2,263	2,888,636	0.17
Standard Bank Group Ltd	15,705	1,472,979	0.09
<i>Spain (1.02%)</i>			
Banco Bilbao Vizcaya Argentaria SA	26,857	1,170,503	0.07
Banco Santander SA	75,880	2,475,486	0.15
Iberdrola SA	26,701	2,143,851	0.13
Repsol SA	82,084	10,000,782	0.61
Telefonica SA	19,443	1,058,928	0.06
<i>Sweden (0.07%)</i>			
Volvo AB – B SHS	8,816	1,151,355	0.07
<i>Switzerland (2.88%)</i>			
ABB Ltd – REG	14,141	2,659,159	0.16
Cie Financiere Richemont SA – REG	3,818	2,336,671	0.14
Credit Suisse Group AG – REG	22,060	2,326,205	0.14
Nestle SA – REG	22,114	18,644,515	1.13
Novartis AG – REG	9,640	7,128,497	0.43
Roche Holding AG – Genusschein	3,140	7,933,498	0.48
Swiss Re AG	2,740	2,396,544	0.15
UBS Group AG – REG	18,165	1,786,856	0.11
Zurich Insurance Group AG	745	2,380,464	0.14
<i>Taiwan (1.35%)</i>			
Chunghwa Telecom Co Ltd	58,000	1,658,333	0.10
Formosa Plastics Corp	63,000	1,634,263	0.10
Hon Hai Precision Industry Co Ltd	84,800	2,001,394	0.12

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AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>Taiwan (1.35%) (continued)</i>			
Largan Precision Co Ltd	2,000	2,599,268	0.16
MediaTek Inc	23,000	2,651,383	0.16
Nan Ya Plastics Corp	92,000	1,740,885	0.11
Taiwan Semiconductor Manufacturing Co Ltd	117,000	10,066,184	0.60
<i>Thailand (0.09%)</i>			
PTT PCL – NVDR	128,800	1,474,205	0.09
<i>The United Kingdom (5.06%)</i>			
AstraZeneca PLC	17,492	13,734,877	0.83
Barclays PLC	137,872	2,556,531	0.15
BHP Group PLC	9,760	1,790,030	0.11
BP PLC	90,189	4,390,351	0.27
British American Tobacco PLC	10,496	3,501,062	0.21
Compass Group PLC	11,527	2,248,796	0.14
Diageo PLC	10,625	3,510,093	0.21
GlaxoSmithKline PLC	23,346	4,287,067	0.26
Glencore PLC	46,909	1,139,573	0.07
HSBC Holdings PLC	77,495	4,734,716	0.29
Lloyds Banking Group PLC	446,775	2,882,311	0.17
Prudential PLC	74,979	11,214,500	0.68
Reckitt Benckiser Group PLC	3,140	1,986,512	0.12
RELX PLC	8,188	1,610,492	0.10
Rio Tinto PLC	4,519	2,100,469	0.13
Royal Dutch Shell PLC – A SHS	20,600	4,752,440	0.29
Royal Dutch Shell PLC – B SHS	14,197	3,281,856	0.19
Tesco PLC	380,187	10,014,974	0.61
Unilever PLC	4,143	1,860,484	0.11
Vodafone Group PLC	127,017	1,924,161	0.12

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INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>The United States of America (57.97%)</i>			
3M Co	9,000	12,371,669	0.75
Abbott Laboratories	7,800	5,279,009	0.32
AbbVie Inc	6,700	4,622,238	0.28
Accenture PLC – CL A	2,900	4,758,088	0.29
Activision Blizzard Inc	2,700	1,250,070	0.08
Adobe Inc	2,200	5,653,592	0.34
Advance Auto Parts Inc	6,900	8,610,753	0.52
Alibaba Group Holding Ltd – SP ADR	6,700	11,072,698	0.67
Allergan PLC	800	1,191,647	0.07
Alphabet Inc – CL A	2,100	21,916,152	1.33
Alphabet Inc – CL C	1,500	15,626,695	0.95
Altria Group Inc	4,400	1,711,111	0.10
Amazon.com Inc	1,900	27,356,210	1.66
American Express Co	3,200	3,104,005	0.19
American International Group Inc	21,600	8,638,990	0.52
Amgen Inc	2,800	5,259,436	0.32
Anthem Inc	800	1,882,687	0.11
Aon PLC	6,400	10,386,910	0.63
Apple Inc	23,300	53,311,867	3.23
Applied Materials Inc	24,000	11,414,680	0.69
AT&T Inc	32,100	9,774,568	0.59
Automatic Data Processing Inc	2,000	2,657,005	0.16
Baidu Inc – SPON ADR	2,800	2,757,675	0.17
Bank of America Corp	69,600	19,100,140	1.16
Becton Dickinson and Co	1,300	2,754,878	0.17
Berkshire Hathaway Inc – CL B	5,100	9,000,701	0.55
BlackRock Inc	700	2,741,857	0.17
Boeing Co	2,400	6,091,819	0.37
Booking Holdings Inc	200	3,200,452	0.19
Boston Scientific Corp	31,900	11,239,816	0.68
Bristol-Myers Squibb Co	8,500	4,251,325	0.26
Broadcom Inc	1,800	4,432,258	0.27

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AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>The United States of America (57.97%) (continued)</i>			
Capital One Financial Corp	2,400	1,924,451	0.12
Caterpillar Inc	1,700	1,956,179	0.12
Centene Corp	21,600	10,581,206	0.64
Charles Schwab Corp	4,500	1,667,602	0.10
Charter Communications Inc – A	500	1,889,824	0.11
Chevron Corp	8,400	7,887,517	0.48
Chipotle Mexican Grill Inc	1,500	9,783,894	0.59
Chubb Ltd	2,100	2,547,031	0.15
Cigna Corp	1,700	2,708,688	0.16
Cisco Systems Inc	19,500	7,287,050	0.44
Citigroup Inc	10,400	6,473,866	0.39
CME Group Inc	7,200	11,260,589	0.68
Coca-Cola Co	17,900	7,719,846	0.47
Colgate-Palmolive Co	2,100	1,126,414	0.07
Comcast Corp – CL A	20,000	7,007,948	0.42
ConocoPhillips	3,800	1,925,464	0.12
Corteva Inc	43,000	9,904,005	0.60
Costco Wholesale Corp	2,000	4,580,333	0.28
Credicorp Ltd	1,000	1,660,667	0.10
CVS Health Corp	20,700	11,982,258	0.73
Danaher Corp	3,000	3,587,658	0.22
Dominion Energy Inc	2,900	1,871,420	0.11
Duke Energy Corp	3,300	2,345,278	0.14
DuPont de Nemours Inc	1,900	950,444	0.06
Ecolab Inc	6,400	9,623,936	0.58
Eli Lilly & Co	3,100	3,174,638	0.19
EOG Resources Inc	2,200	1,435,811	0.09
Exxon Mobil Corp	16,400	8,916,877	0.54
Facebook Inc – CL A	10,600	16,952,236	1.03
FedEx Corp	1,100	1,296,018	0.08
Fidelity National Information Services Inc	2,800	3,034,533	0.18
Fiserv Inc	12,400	11,171,981	0.68

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AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>The United States of America (57.97%) (continued)</i>			
General Dynamics Corp	1,000	1,374,084	0.08
General Electric Co	39,100	3,400,000	0.21
Gilead Sciences Inc	3,100	1,569,565	0.10
Goldman Sachs Group Inc	1,200	2,149,883	0.13
Hess Corp	17,600	9,162,038	0.56
Home Depot Inc	4,400	7,486,925	0.45
Honeywell International Inc	3,300	4,551,192	0.28
Illinois Tool Works Inc	1,800	2,519,355	0.15
Intel Corp	19,900	9,280,154	0.56
International Business Machines Corp	3,500	3,655,446	0.22
Intuit Inc	1,200	2,449,088	0.15
Intuitive Surgical Inc	500	2,303,062	0.14
Itau Unibanco Holding SA – SPON PRF ADR	22,200	1,582,749	0.10
JB Hunt Transport Services Inc	9,600	8,735,297	0.53
JD.com Inc – ADR	10,000	2,745,052	0.17
Johnson & Johnson	10,300	11,706,880	0.71
JPMorgan Chase & Co	22,100	24,004,519	1.45
Kinder Morgan Inc	11,700	1,929,944	0.12
Knight-Swift Transportation Holdings Inc	29,000	8,098,488	0.49
Linde PLC	1,200	1,990,650	0.12
Lockheed Martin Corp	1,200	3,640,767	0.22
Lowe's Cos Inc	3,600	3,359,327	0.20
Marathon Petroleum Corp	3,200	1,502,260	0.09
Marriott International Inc – CL A	1,800	2,123,843	0.13
Martin Marietta Materials Inc	4,300	9,369,269	0.57
Mastercard Inc – CL A	3,600	8,375,596	0.51
McDonald's Corp	3,400	5,235,110	0.32
Medtronic PLC	15,000	13,259,701	0.80
Merck & Co Inc	11,400	8,078,775	0.49
Microsoft Corp	37,100	45,587,268	2.76
Mondelez International Inc – A	6,500	2,789,621	0.17
Morgan Stanley	4,700	1,872,090	0.11

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AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>The United States of America (57.97%) (continued)</i>			
NetEase Inc – ADR	900	2,150,351	0.13
Netflix Inc	2,000	5,042,387	0.31
NextEra Energy Inc	6,700	12,641,982	0.77
NIKE Inc – CL B	4,900	3,867,999	0.23
Northrop Grumman Corp	600	1,608,088	0.10
NVIDIA Corp	7,800	14,300,608	0.87
Occidental Petroleum Corp	4,168	1,338,346	0.08
Oracle Corp	7,121	2,939,618	0.18
PayPal Holdings Inc	5,100	4,298,481	0.26
PepsiCo Inc	6,200	6,602,415	0.40
Pfizer Inc	24,500	7,479,430	0.45
Philip Morris International Inc	7,000	4,641,032	0.28
PNC Financial Services Group Inc	1,800	2,238,850	0.13
Procter & Gamble Co	18,700	18,198,769	1.10
Progressive Corp	3,100	1,748,551	0.11
QUALCOMM Inc	3,300	2,268,654	0.14
Raytheon Co	1,100	1,883,388	0.11
S&P Global Inc	1,000	2,127,552	0.13
Salesforce.com Inc	3,800	4,815,584	0.29
Southern Co	4,100	2,034,985	0.12
Starbucks Corp	5,500	3,767,804	0.22
Stryker Corp	1,500	2,453,717	0.14
Target Corp	11,800	11,788,047	0.71
TechnipFMC PLC	49,000	8,185,756	0.49
Tesla Inc	600	1,955,727	0.11

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AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND (CONTINUED)

	Holding shares/ units	Market value HK\$	% of net assets
Listed/quoted investments (98.58%) (continued)			
Equities (98.56%) (continued)			
<i>The United States of America (57.97%) (continued)</i>			
Texas Instruments Inc	2,600	2,598,987	0.16
Thermo Fisher Scientific Inc	1,600	4,050,117	0.25
TJX Cos Inc	5,600	2,664,298	0.16
Travelers Cos Inc	1,700	1,814,049	0.11
Union Pacific Corp	3,300	4,648,644	0.28
United Parcel Service Inc – CL B	3,200	2,918,747	0.18
United Technologies Corp	3,700	4,317,531	0.26
UnitedHealth Group Inc	4,400	10,078,791	0.60
US Bancorp	6,800	3,141,437	0.19
Valero Energy Corp	1,700	1,240,494	0.08
Verizon Communications Inc	18,300	8,755,026	0.53
Vertex Pharmaceuticals Inc	7,100	12,112,708	0.73
Visa Inc – CL A	13,000	19,033,037	1.15
Vulcan Materials Co	8,800	9,873,087	0.60
Walgreens Boots Alliance Inc	3,800	1,745,738	0.11
Walmart Inc	15,600	14,445,255	0.88
Walt Disney Co	8,000	9,015,428	0.55
Wells Fargo & Co	16,800	7,042,543	0.43
Western Digital Corp	24,300	12,017,461	0.73
Zebra Technologies Corp – CL A	4,800	9,553,623	0.58
Right (0.02%)			
<i>Spain (0.02%)</i>			
Repsol SA – Rights 07/01/2020	82,084	303,685	0.02
<i>The United States of America (0.00%)</i>			
Bristol-Myers Squibb Co – CVR	1,200	28,144	0.00
Total Listed/quoted investments		<u>1,627,414,215</u>	<u>98.58</u>
Other net assets		<u>23,401,460</u>	<u>1.42</u>
Total investments, at cost		<u>1,426,042,422</u>	
Total net asset		<u>1,650,815,675</u>	<u>100.00</u>

Note: Investments are accounted for on a trade date basis.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT ASIA PACIFIC INVESTMENT GRADE BOND FUND

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (99.27%)			
Bonds (99.27%)			
<i>Denominated in United States Dollar (99.27%)</i>			
Abu Dhabi National Energy Co PJSC 4.00% 03/10/2049	450,000	3,658,933	0.34
Adani Ports & Special Economic Zone Ltd 4.375% 03/07/2029	1,200,000	9,866,311	0.93
Adani Transmission Ltd 4.25% 21/05/2036	200,000	1,588,814	0.15
Alibaba Group Holding Ltd 4.50% 28/11/2034	1,900,000	16,875,195	1.59
Amipeace Ltd 2.50% 05/12/2024	900,000	6,992,115	0.66
Arab Petroleum Investments Corp FRN 04/12/2024	600,000	4,686,456	0.44
Bangkok Bank PCL/Hong Kong 3.733% 25/09/2034	2,700,000	21,630,603	2.03
Bank Mandiri Persero Tbk PT 3.75% 11/04/2024	1,900,000	15,417,674	1.45
Bank of China Ltd 5.00% 13/11/2024	1,000,000	8,558,023	0.80
Baosteel Financing 2015 Pty Ltd 3.875% 28/01/2020	1,000,000	7,924,254	0.74
Bluestar Finance Holdings Ltd 3.375% 16/07/2024	3,050,000	24,445,124	2.30
CCBL Cayman 1 Corp Ltd 3.875% 16/05/2029	50,000	412,371	0.04
CDBL Funding 1 FRN 15/11/2021	1,500,000	11,784,542	1.11
CDBL Funding 2 FRN 18/07/2021	1,600,000	12,577,956	1.18
CGNPC International Ltd 4.00% 19/05/2025	1,300,000	10,761,482	1.01
Chalco Hong Kong Investment Co Ltd 4.875% 07/09/2021	1,250,000	10,195,355	0.96
China Cinda Finance 2017 I Ltd 4.375% 08/02/2025	1,700,000	14,389,048	1.35
China Construction Bank Corp 3.875% 13/05/2025	2,500,000	19,643,265	1.85
China Great Wall International Holdings IV Ltd 3.125% 31/07/2024	700,000	5,579,534	0.52
China Huaneng Group Hong Kong Treasury Management Holding Ltd 2.60% 10/12/2024	1,300,000	10,164,155	0.96
China Huaneng Group Hong Kong Treasury Management Holding Ltd 3.00% 10/12/2029	2,200,000	17,229,048	1.62

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

**BEA UNION INVESTMENT ASIA PACIFIC INVESTMENT GRADE BOND FUND
(CONTINUED)**

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (99.27%) (continued)			
Bonds (99.27%) (continued)			
<i>Denominated in United States Dollar (99.27%) (continued)</i>			
China Overseas Finance Cayman III Ltd 6.375% 29/10/2043	800,000	8,585,377	0.81
Chong Hing Bank Ltd 6.00% 04/11/2020	350,000	2,819,990	0.26
CICC Hong Kong Finance 2016 MTN Ltd 3.375% 03/05/2022	900,000	7,138,271	0.67
CICC Hong Kong Finance 2016 MTN Ltd FRN 03/05/2022	450,000	3,538,456	0.33
CMB Wing Lung Bank Ltd 3.75% 22/11/2027	1,000,000	7,869,974	0.74
CNAC HK Finbridge Co Ltd 3.50% 19/07/2022	2,000,000	16,096,930	1.51
CNAC HK Finbridge Co Ltd 3.875% 19/06/2029	1,150,000	9,315,696	0.88
CNAC HK Finbridge Co Ltd 4.625% 14/03/2023	1,250,000	10,376,213	0.98
CNAC HK Finbridge Co Ltd 4.75% 19/06/2049	1,400,000	12,421,791	1.17
Commonwealth Bank of Australia 3.743% 12/09/2039	1,000,000	7,951,246	0.75
Competition Team Technologies Ltd 3.75% 12/03/2024	1,850,000	15,042,662	1.41
Dah Sing Bank Ltd 4.25% 30/11/2026	1,800,000	14,307,850	1.34
Dah Sing Bank Ltd 6.625% 11/02/2020	500,000	4,011,313	0.38
DBS Group Holdings Ltd 4.52% 11/12/2028	1,700,000	14,113,565	1.33
Dianjian Haiyu Ltd 3.00% 20/06/2022	500,000	3,917,589	0.37
Export Import Bank of Thailand FRN 20/11/2023	300,000	2,361,115	0.22
Export Import Bank of Thailand FRN 23/05/2024	3,700,000	29,049,531	2.73
HKT Capital No 5 Ltd 3.25% 30/09/2029	2,100,000	16,440,269	1.55
HPHT Finance 19 Ltd 2.875% 05/11/2024	1,500,000	11,707,366	1.10
Huarong Finance 2017 Co Ltd 4.25% 07/11/2027	3,000,000	24,431,627	2.30
Huarong Finance 2019 Co Ltd 3.75% 29/05/2024	650,000	5,197,333	0.49
Huarong Finance II Co Ltd 4.875% 22/11/2026	650,000	5,495,429	0.52

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

**BEA UNION INVESTMENT ASIA PACIFIC INVESTMENT GRADE BOND FUND
(CONTINUED)**

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (99.27%) (continued)			
Bonds (99.27%) (continued)			
<i>Denominated in United States Dollar (99.27%) (continued)</i>			
Hyundai Capital America 3.50% 02/11/2026	1,000,000	7,929,099	0.75
ICBCIL Finance Co Ltd FRN 15/05/2021	3,700,000	28,935,872	2.72
ICBCIL Finance Co Ltd FRN 15/05/2023	700,000	5,486,658	0.52
ICBCIL Finance Co Ltd FRN 20/11/2024	500,000	3,913,472	0.37
Indonesia Asahan Aluminium Persero PT 6.53% 15/11/2028	600,000	5,789,172	0.54
Indonesia Asahan Aluminium Persero PT 6.757% 15/11/2048	1,200,000	12,172,828	1.14
Industrial & Commercial Bank of China Ltd 4.875% 21/09/2025	2,000,000	17,318,087	1.63
Industrial & Commercial Bank of China Macau Ltd 2.875% 12/09/2029	3,550,000	27,621,757	2.60
Kasikornbank PCL/Hong Kong 3.343% 02/10/2031	1,100,000	8,688,274	0.82
KEB Hana Bank 4.25% 14/10/2024	300,000	2,493,806	0.23
King Power Capital Ltd 5.625% 03/11/2024	700,000	6,182,911	0.58
Longfor Group Holdings Ltd 3.95% 16/09/2029	1,400,000	11,052,853	1.04
MDGH – GMTN BV 2.50% 07/11/2024	450,000	3,534,853	0.33
MDGH – GMTN BV 3.70% 07/11/2049	500,000	4,065,451	0.38
Mega Advance Investments Ltd 5.00% 12/05/2021	800,000	6,461,808	0.61
Mega Advance Investments Ltd 6.375% 12/05/2041	1,500,000	15,816,352	1.49
Minejesa Capital BV 5.625% 10/08/2037	2,350,000	20,388,296	1.92
Minera y Metalurgica del Boleo SAPI de CV 3.25% 17/04/2024	1,550,000	12,425,852	1.17
Nanyang Commercial Bank Ltd 3.80% 20/11/2029	650,000	5,127,007	0.48
National Australia Bank Ltd 3.933% 02/08/2034	1,000,000	8,220,027	0.77
New World China Land Ltd 4.75% 23/01/2027	300,000	2,490,900	0.23
Nexen Inc 7.875% 15/03/2032	500,000	5,718,862	0.54
NTPC Ltd 3.75% 03/04/2024	1,600,000	12,906,800	1.21
NTPC Ltd 4.25% 26/02/2026	587,000	4,879,807	0.46

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT ASIA PACIFIC INVESTMENT GRADE BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (99.27%) (continued)			
Bonds (99.27%) (continued)			
<i>Denominated in United States Dollar (99.27%) (continued)</i>			
NWD MTN Ltd 4.125% 18/07/2029	450,000	3,565,558	0.33
NWD MTN Ltd 5.25% 26/02/2021	2,000,000	16,272,700	1.53
PCCW-HKT Capital No 5 Ltd 3.75% 08/03/2023	700,000	5,668,510	0.53
Pelabuhan Indonesia II PT 4.25% 05/05/2025	3,900,000	32,473,596	3.05
Pertamina Persero PT 5.625% 20/05/2043	1,300,000	11,926,758	1.12
Pertamina Persero PT 6.00% 03/05/2042	1,250,000	12,002,558	1.13
Perusahaan Listrik Negara PT 3.375% 05/02/2030	200,000	1,569,378	0.15
Perusahaan Listrik Negara PT 4.125% 15/05/2027	650,000	5,374,634	0.51
Perusahaan Listrik Negara PT 5.375% 25/01/2029	600,000	5,514,547	0.52
Perusahaan Listrik Negara PT 5.45% 21/05/2028	1,300,000	11,753,033	1.11
Poly Real Estate Finance Ltd 3.875% 25/03/2024	1,850,000	14,957,458	1.41
Poly Real Estate Finance Ltd 3.95% 05/02/2023	535,000	4,334,398	0.41
Poly Real Estate Finance Ltd 4.75% 17/09/2023	1,350,000	11,249,182	1.06
Powerchina Real Estate Group Ltd 4.50% 06/12/2021	2,400,000	19,244,413	1.81
PTT PCL 5.875% 03/08/2035	1,100,000	11,087,534	1.04
PTTEP Treasury Center Co Ltd 3.903% 06/12/2059	400,000	3,135,205	0.29
QNB Finance Ltd FRN 02/05/2022	750,000	5,886,722	0.55
Reliance Industries Ltd 3.667% 30/11/2027	750,000	6,068,535	0.57
Sands China Ltd 5.40% 08/08/2028	700,000	6,272,074	0.59
Santos Finance Ltd 5.25% 13/03/2029	1,550,000	13,295,894	1.25
Shanghai Commercial Bank Ltd 5.00% 17/01/2029	250,000	2,097,510	0.20
Shimao Property Holdings Ltd 6.125% 21/02/2024	700,000	5,937,335	0.56

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT ASIA PACIFIC INVESTMENT GRADE BOND FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (99.27%) (continued)			
Bonds (99.27%) (continued)			
<i>Denominated in United States Dollar (99.27%) (continued)</i>			
Shinhan Bank Co Ltd 3.875% 07/12/2026	500,000	3,987,429	0.37
Shinhan Bank Co Ltd 4.50% 26/03/2028	650,000	5,549,285	0.52
Shinhan Financial Group Co Ltd 3.34% 05/02/2030	3,550,000	28,453,263	2.67
Sinopec Group Overseas Development 2015 Ltd 3.25% 28/04/2025	270,000	2,181,117	0.20
SK Hynix Inc 3.00% 17/09/2024	1,000,000	7,864,942	0.74
SPIC Luxembourg Latin America Renewable Energy Investment Co Sarl 4.25% 30/10/2021	900,000	7,234,231	0.68
State Elite Global Ltd FRN 24/10/2024	700,000	5,481,569	0.52
Sumitomo Mitsui Financial Group Inc 3.202% 17/09/2029	1,300,000	10,399,293	0.98
Tencent Holdings Ltd 3.80% 11/02/2025	650,000	5,410,071	0.51
Tencent Holdings Ltd 3.925% 19/01/2038	650,000	5,465,553	0.51
Thai Oil PCL 4.875% 23/01/2043	300,000	2,783,394	0.26
Thaioil Treasury Center Co Ltd 5.375% 20/11/2048	1,150,000	11,515,695	1.08
United States Treasury Note/Bond 1.50% 30/11/2024	700,000	5,415,182	0.51
Vanke Real Estate Hong Kong Co Ltd 3.15% 12/05/2025	800,000	6,256,366	0.59
Vanke Real Estate Hong Kong Co Ltd 3.50% 12/11/2029	600,000	4,664,628	0.44
Vanke Real Estate Hong Kong Co Ltd 4.20% 07/06/2024	650,000	5,297,697	0.50
Vanke Real Estate Hong Kong Co Ltd 5.35% 11/03/2024	1,250,000	10,736,104	1.01
Weibo Corp 3.50% 05/07/2024	1,400,000	11,276,699	1.06
Total listed/quoted investments		<u>1,055,850,705</u>	<u>99.27</u>
Other net assets		<u>7,731,007</u>	<u>0.73</u>
Total investments, at cost		<u>1,023,530,137</u>	
Total net asset		<u>1,063,581,712</u>	<u>100.00</u>

Note: Investments are accounted for on a trade date basis.

BEA UNION INVESTMENT CAPITAL GROWTH FUND**INVESTMENT REPORT**

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)**BEA UNION INVESTMENT CORE ACCUMULATION FUND**

	Holding shares/ units	Market value HK\$	% of net assets
Approved pooled investment funds (100.12%)			
<i>Established in Hong Kong (100.12%)</i>			
BEA Union Investment Global Bond Fund – Class I	4,208,259	474,228,736	39.47
BEA Union Investment Global Equity Fund – Class I	5,489,561	728,794,208	60.65
Total listed/quoted investments		<u>1,203,022,944</u>	<u>100.12</u>
Other net liabilities		<u>(1,490,281)</u>	<u>(0.12)</u>
Total investments, at cost		<u>1,075,024,991</u>	
Total net asset		<u>1,201,532,663</u>	<u>100.00</u>

Note: Investments are accounted for on a trade date basis.

BEA UNION INVESTMENT CAPITAL GROWTH FUND**INVESTMENT REPORT**

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)**BEA UNION INVESTMENT AGE 65 PLUS FUND**

	Holding shares/ units	Market value HK\$	% of net assets
Approved pooled investment funds (100.25%)			
<i>Established in Hong Kong (100.25%)</i>			
BEA Union Investment Global Bond Fund – Class I	3,729,526	420,280,389	79.80
BEA Union Investment Global Equity Fund – Class I	811,155	107,689,033	20.45
Total listed/quoted investments		<u>527,969,422</u>	<u>100.25</u>
Other net liabilities		<u>(1,323,489)</u>	<u>(0.25)</u>
Total investments, at cost		<u>486,319,919</u>	
Total net asset		<u>526,645,933</u>	<u>100.00</u>

Note: Investments are accounted for on a trade date basis.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT MONEY MARKET FUND

	Nominal value	Market value HK\$	% of net assets
Listed/quoted investments (96.87%)			
Bonds (29.10%)			
<i>Denominated in United States Dollar (29.10%)</i>			
Bluestar Finance Holdings Ltd 4.375% 11/06/2020	900,000	7,080,018	1.77
CDBL Funding 2 2.625% 01/08/2020	1,300,000	10,234,664	2.56
China Great Wall International Holdings III Ltd 2.75% 31/08/2020	900,000	7,082,069	1.77
CNAC HK Finbridge Co Ltd 3.00% 19/07/2020	400,000	3,164,189	0.79
COSL Singapore Capital Ltd 3.50% 30/07/2020	500,000	3,969,380	0.99
Eastern Creation II Investment Holdings Ltd 2.75% 26/09/2020	1,100,000	8,644,068	2.16
United States Treasury Bill 0.00% 02/01/2020	1,500,000	11,686,802	2.92
United States Treasury Bill 0.00% 07/01/2020	1,400,000	10,906,471	2.72
United States Treasury Bill 0.00% 09/01/2020	1,000,000	7,789,693	1.95
United States Treasury Bill 0.00% 14/01/2020	1,000,000	7,788,183	1.95
United States Treasury Bill 0.00% 16/01/2020	1,000,000	7,787,531	1.95
United States Treasury Bill 0.00% 21/01/2020	1,000,000	7,785,856	1.94
United States Treasury Bill 0.00% 23/01/2020	1,000,000	7,785,303	1.94
United States Treasury Bill 0.00% 30/01/2020	900,000	7,004,966	1.75
United States Treasury Bill 0.00% 04/02/2020	1,000,000	7,781,339	1.94
Other investment (67.77%)			
Short term deposits (67.77%)			
<i>Denominated in Hong Kong Dollar (67.77%)</i>			
Bank of Communications (Hong Kong) Limited F/D 1.91% 16 January 2020	16,079,121	16,079,121	4.02
Bank of East Asia, Limited F/D 2.35% 23 January 2020	22,521,337	22,521,337	5.63
Bank of East Asia, Limited F/D 2.47% 09 January 2020	10,000,000	10,000,000	2.50
China Construction Bank Corporation Limited F/D 2.05% 30 January 2020	1,989,354	1,989,354	0.50
China Construction Bank Corporation Limited F/D 2.05% 30 January 2020	3,288,356	3,288,356	0.82
China Construction Bank Corporation Limited F/D 2.05% 30 January 2020	18,199,824	18,199,824	4.55
China Everbright Bank Co., Ltd F/D 2.45% 05 March 2020	6,000,000	6,000,000	1.50

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

AS AT 31 DECEMBER 2019 (CONTINUED)

INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT MONEY MARKET FUND (CONTINUED)

	Nominal value	Market value HK\$	% of net assets
Other investment (96.87%) (continued)			
Short term deposits (67.77%) (continued)			
<i>Denominated in Hong Kong Dollar (67.77%) (continued)</i>			
China Everbright Bank Co., Ltd F/D 2.47% 02 January 2020	3,584,540	3,584,540	0.89
China Everbright Bank Co., Ltd F/D 2.80% 02 April 2020	10,013,167	10,013,167	2.50
Chong Hing Bank Limited F/D 2.40% 30 January 2020	32,905,617	32,905,617	8.22
OCBC Wing Hang Bank Limited F/D 2.15% 23 January 2020	19,612,820	19,612,820	4.90
OCBC Wing Hang Bank Limited F/D 2.15% 23 January 2020	9,999,910	9,999,910	2.50
CMB Wing Lung Bank Limited F/D 2.15% 23 January 2020	16,224,897	16,224,897	4.05
CMB Wing Lung Bank Limited F/D 2.45% 30 January 2020	11,176,412	11,176,412	2.79
CMB Wing Lung Bank Limited F/D 2.48% 02 January 2020	8,015,092	8,015,092	2.00
DBS Bank (Hong Kong) Limited F/D 2.12% 30 January 2020	4,003,517	4,003,517	1.00
DBS Bank (Hong Kong) Limited F/D 2.15% 23 January 2020	27,017,875	27,017,875	6.75
DBS Bank (Hong Kong) Limited F/D 2.15% 23 January 2020	1,877,051	1,877,051	0.47
Industrial and Commercial Bank of China Limited F/D 2.05% 30 January 2020	5,848,670	5,848,670	1.46
Industrial and Commercial Bank of China Limited F/D 2.05% 30 January 2020	10,055,459	10,055,459	2.51
Sumitomo Mitsui Banking Corporation F/D 2.16% 23 January 2020	13,000,000	13,000,000	3.25
Sumitomo Mitsui Banking Corporation F/D 2.16% 30 January 2020	19,848,485	19,848,485	4.96
Total listed/quoted investments		<u>387,752,036</u>	<u>96.87</u>
Other net assets		<u>12,516,663</u>	<u>3.13</u>
Total investments, at cost		<u>387,776,886</u>	
Total net asset		<u>400,268,699</u>	<u>100.00</u>

Note: Investments are accounted for on a trade date basis.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO

BEA UNION INVESTMENT ASIA STRATEGIC GROWTH FUND

	% of net assets 2019	2018
Equities:		
China and Hong Kong	50.63	45.86
Indonesia	2.64	3.61
Korea	16.86	18.79
Malaysia	0.63	0.90
Singapore	4.01	5.38
Taiwan	17.56	14.66
Thailand	2.32	2.52
The Philippines	2.00	0.94
The United States of America	0.53	1.80
Real estate investment trust:		
China and Hong Kong	0.34	2.10
	<u>97.52</u>	<u>96.56</u>

BEA UNION INVESTMENT GLOBAL BOND FUND

	% of net assets 2019	2018
Bonds:		
Australian dollar	2.26	1.43
British pound	6.08	5.35
Canadian dollar	1.27	0.80
Euro	24.16	22.55
Hong Kong dollar	0.40	0.88
Indonesian rupiah	1.12	-
Japanese yen	16.36	14.10
Singapore dollar	0.21	0.21
United States dollar	45.48	51.30
	<u>97.34</u>	<u>96.62</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT HONG KONG GROWTH FUND

	% of net assets 2019	2018
Equities:		
China and Hong Kong	97.52	92.98
The United States of America	-	3.00
Real estate investment trust:		
China and Hong Kong	0.82	3.56
	<u>98.34</u>	<u>99.54</u>

BEA UNION INVESTMENT GREATER CHINA GROWTH FUND

	% of net assets 2019	2018
Equities:		
China and Hong Kong	70.03	69.51
Taiwan	25.49	20.97
The United States of America	2.41	4.17
Real estate investment trust:		
China and Hong Kong	1.09	0.99
	<u>99.02</u>	<u>95.64</u>

BEA UNION INVESTMENT HONG KONG DOLLAR (HK\$) BOND FUND

	% of net assets 2019	2018
Bonds:		
Hong Kong dollar	75.79	73.04
United States dollar	11.41	8.34
Certificates of deposit:		
Hong Kong dollar	11.67	17.89
	<u>98.87</u>	<u>99.27</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT GLOBAL EQUITY FUND

	% of net assets 2019	2018
Equities:		
Australia	2.00	1.55
Belgium	0.09	0.12
Brazil	1.22	0.46
Canada	2.08	2.74
China and Hong Kong	3.73	2.98
Denmark	0.28	1.05
Finland	0.56	0.88
France	3.48	5.01
Germany	4.22	1.97
India	0.60	0.90
Indonesia	0.35	0.46
Israel	–	0.10
Italy	0.37	0.42
Japan	7.32	8.85
Korea	1.42	1.49
Malaysia	0.08	0.15
Netherlands	1.41	1.25
Singapore	0.56	0.71
South Africa	0.35	0.60
Spain	1.02	0.51
Sweden	0.07	1.47
Switzerland	2.88	3.08
Taiwan	1.35	0.70
Thailand	0.09	0.14
The United Kingdom	5.06	4.78
The United States of America	57.97	55.87
Rights:		
Spain	0.02	–
The United States of America	–	–
	<u>98.58</u>	<u>98.24</u>

BEA UNION INVESTMENT ASIA PACIFIC INVESTMENT GRADE BOND FUND

	% of net assets 2019	2018
Bonds:		
United States dollar	<u>99.27</u>	<u>99.11</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INVESTMENT REPORT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (CONTINUED)

STATEMENT OF MOVEMENTS IN INVESTMENT PORTFOLIO (CONTINUED)

BEA UNION INVESTMENT CORE ACCUMULATION FUND

	% of net assets 2019	2018
Approved pooled investment funds:		
Hong Kong	<u>100.12</u>	<u>100.11</u>

BEA UNION INVESTMENT AGE 65 PLUS FUND

	% of net assets 2019	2018
Approved pooled investment funds:		
Hong Kong	<u>100.25</u>	<u>100.23</u>

BEA UNION INVESTMENT MONEY MARKET FUND ⁽¹⁾

	% of net assets 2019
Bonds:	
United States dollar	29.10
Short-term deposits:	
Hong Kong dollar	<u>67.77</u>
	<u>96.87</u>

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND
REPORT OF THE TRUSTEE TO THE UNITHOLDERS OF
BEA UNION INVESTMENT CAPITAL GROWTH FUND (“THE FUND”)

We hereby confirm that:

- (1) In our opinion, the Manager of the Fund and its sub-funds (“the Sub-funds”) has in all material respects managed the Fund and the Sub-funds in accordance with the provisions of the Trust Deed dated 22 September 2000, as amended and restated, for the year/period ended 31 December 2019.
- (2) We have not become aware of any failures by the Custodian, the Manager or their delegates to comply with the obligations imposed on them with respect to the Fund for the year/period ended 31 December 2019, except to the extent that such failures have been previously reported to the Hong Kong Mandatory Provident Fund Schemes Authority (“the Authority”);
- (3) We are not aware of any events of a significant nature relating to the Fund and the Sub-funds that occurred during the year ended 31 December 2019 which have not been reported to the Authority;
- (4) The provisions of the constitutive documents, the Hong Kong Mandatory Provident Fund Schemes Ordinance, the Hong Kong Mandatory Provident Fund Schemes (General) Regulation, the Hong Kong Code on MPF Investment Funds, the Hong Kong Code on Unit Trusts and Mutual Funds and other relevant guidelines issued by the Authority have been complied with in all material respects in respect of the Fund for the year/period ended 31 December 2019, except to the extent that any non-compliance has been previously reported to the Authority;
- (5) There are no material changes which have not been reported to the Authority during the year ended 31 December 2019; and
- (6) We have supervised, and exercised proper control over all persons appointed or engaged for the purposes of the Fund and the Sub-funds during the year ended 31 December 2019.

For and on behalf of
Bank of East Asia (Trustees) Limited
東亞銀行(信託)有限公司

14 April 2020

BEA UNION INVESTMENT CAPITAL GROWTH FUND
INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEE OF BEA UNION
INVESTMENT CAPITAL GROWTH FUND (“THE FUND”)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of the sub-funds within the Fund (“the Sub-funds”) set out on pages 80 to 139, which comprise the statement of assets and liabilities as at 31 December 2019, the statement of comprehensive income, the statement of changes in net assets attributable to unitholders and the cash flow statement for the year/period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-funds as at 31 December 2019 and of their financial transactions and their cash flows for the year/period then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Basis for opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) and with reference to Practice Note 860.1 (Revised), *The Audit of Retirement Schemes* issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the financial statements* section of our report. We are independent of the Fund in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (“the Code”) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditor’s report thereon

The Manager and the Trustee of the Fund are responsible for the other information. The other information comprises all the information included in the annual report, other than the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF BEA UNION INVESTMENT CAPITAL GROWTH FUND ("THE FUND") (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Responsibilities of Manager and Trustee for the financial statements

The Manager and the Trustee of the Fund are responsible for the preparation of financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and for such internal control as the Manager and the Trustee of the Fund determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager and the Trustee of the Fund are responsible for assessing the Sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager and the Trustee either intend to liquidate the Sub-funds or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager and the Trustee of the Fund are required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed of the Fund dated 22 September 2000, as amended and restated ("the Trust Deed"), the Mandatory Provident Fund Schemes Ordinance ("the MPFSO"), the Mandatory Provident Fund Schemes (General) Regulation ("the General Regulation"), the Code on MPF Investment Funds ("the MPF Code"), and Guidelines II.5 issued by the Mandatory Provident Fund Schemes Authority ("the MPFA") and the Code on Unit Trusts and Mutual Funds ("the SFC Code") issued by the Hong Kong Securities and Futures Commission ("the SFC").

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, in accordance with section C2.2 of the MPF Code issued by the MPFA and section 102 of the General Regulation, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed of the Fund, the MPFSO, the General Regulation, the MPF Code and Guidelines II.5 issued by the MPFA and the SFC Code issued by the SFC.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF BEA UNION INVESTMENT CAPITAL GROWTH FUND ("THE FUND") (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager and the Trustee of the Fund.
- Conclude on the appropriateness of the Manager's and the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager and the Trustee of the Fund regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on matters under the relevant disclosure provisions of the Trust Deed, the MPFSO, the General Regulation, the MPF Code, and Guidelines II.5 issued by the MPFA and the SFC Code issued by the SFC

- (a) In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed, the MPFSO, the General Regulation, the MPF Code and Guidelines II.5 issued by the MPFA and the SFC Code issued by the SFC; and
- (b) We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

14 April 2020

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE TRUSTEE OF BEA UNION INVESTMENT CAPITAL GROWTH FUND ("THE FUND")

We have audited the financial statements of the sub-funds within the Fund ("the Sub-funds") for the year/period ended 31 December 2019 in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 860.1 (Revised), *The Audit of Retirement Schemes* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and have issued an unqualified auditor's report thereon dated 14 April 2020.

Pursuant to Guidelines II.5 and Code on MPF Investment Funds ("MPF Code") issued by the Mandatory Provident Fund Schemes Authority ("the MPFA"), we are required to report whether the Sub-funds complied with certain requirements of the Mandatory Provident Fund Schemes Ordinance ("the MPFSO") and the Mandatory Provident Fund Schemes (General) Regulation ("General Regulation"), which are made applicable to the Sub-funds through the MPF Code.

Trustee's responsibility

The General Regulation requires the Trustee to ensure that:

- (a) proper accounting and other records are kept in respect of the assets of the Sub-funds and all financial transactions entered into in relation to the Sub-funds;
- (b) the requirements specified in the guidelines made by the MPFA under section 28 of the MPFSO with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 of, and Schedule 1 to, the General Regulation, which are made applicable to the Sub-funds through the Code on MPF Investment Funds, are complied with; and
- (c) the assets of the Sub-funds are not subject to any encumbrance, otherwise than as permitted by Section 65 of the General Regulation.

Our independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to report solely to you, on the Sub-funds' compliance with the above requirements based on the results of the procedures performed by us, in accordance with section C2.2 of the MPF Code issued by the MPFA and section 102 of the General Regulation, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagement Other Than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 860.1 (Revised) *The Audit of Retirement Schemes* ("PN 860.1 (Revised)") issued by the HKICPA. We have planned and performed our work to obtain reasonable assurance about whether the Sub-funds have complied with the above requirements.

We have planned and performed such procedures as we considered necessary with reference to the procedures recommended in PN 860.1 (Revised), which included reviewing, on a test basis, evidence obtained from the Administrator regarding the Sub funds' compliance with the above requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE TRUSTEE OF BEA UNION INVESTMENT CAPITAL GROWTH FUND ("THE FUND") (CONTINUED)

Opinion

Based on the foregoing:

- 1 in our opinion:
 - (a) proper accounting and other records have been kept during the year ended 31 December 2019 in respect of the assets of the Sub-funds and all financial transactions entered into in relation to the Sub-funds; and
 - (b) the requirements specified in the guidelines made by the MPFA under section 28 of the MPFSO with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 of, and Schedule 1 to, the General Regulation, which are made applicable to the Sub-Funds through the Code on MPF Investment Funds, have been complied with, in all material respects, as at 31 March 2019, 30 June 2019 and 31 December 2019.
- 2 as at 31 December 2019, the assets of the Sub-funds were not subject to any encumbrance, otherwise than as permitted by section 65 of the General Regulation, which are made applicable to the Sub-funds through the MPF Code.

Intended users and purpose

This report is intended solely for submission by the Trustee to the MPFA and is not intended to be, and should not be, used by anyone for any other purpose.

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

14 April 2020

BEA UNION INVESTMENT CAPITAL GROWTH FUND

STATEMENT OF ASSETS AND LIABILITIES

AS AT 31 DECEMBER 2019 (EXPRESSED IN HONG KONG DOLLARS)

	Note	BEA Union Investment Asia Strategic Growth Fund		BEA Union Investment Global Bond Fund		BEA Union Investment Hong Kong Growth Fund		BEA Union Investment Greater China Growth Fund		BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund		BEA Union Investment Global Equity Fund		BEA Union Investment Asia Pacific Investment Grade Bond Fund		BEA Union Investment Core Accumulation Fund		BEA Union Investment Age 65 Plus Fund		BEA Union Investment Money Market Fund ⁽²⁾	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
Assets																					
Investments	6(a), 7	2,127,216,334	1,752,892,034	5,564,917,613	5,224,921,191	2,979,276,910	1,771,024,923	1,930,388,460	1,552,784,795	1,486,337,152	1,488,350,833	1,627,414,215	1,025,793,319	1,055,850,705	942,294,192	1,203,022,944	730,957,000	527,969,422	414,674,661	387,752,036	
Derivative financial instruments	8	-	-	6,367,821	-	-	-	-	-	-	-	-	-	1,655,005	-	-	-	-	-	-	
Amounts due from brokers		-	46,363,664	20,009,766	-	-	57,374,075	8,148,515	22,366,047	-	-	62,624	1,722,451	-	43,937,568	153,891	-	1,110,153	654,859	-	
Amounts receivable on subscription		-	-	499,250	288,697	-	958,022	-	-	32,295	-	2,701,721	419,585	-	-	420,945	677,875	418,852	30,407	-	
Dividends and other receivables		1,596,950	228,511	20,935	15,793	40,405	115,792	1,429,781	117,031	12	10	1,378,609	1,034,796	432	1	66,437	95,973	66,437	95,974	1,388,593	
Cash at banks	10(d)	53,270,968	40,884,171	193,123,534	187,294,888	51,668,869	20,751,261	11,488,050	86,109,334	35,224,935	13,009,297	20,584,145	23,490,947	6,475,127	41,373,201	-	-	-	-	11,203,222	
Total assets		2,182,084,252	1,840,368,380	5,784,938,919	5,412,520,569	3,030,986,184	1,850,224,073	1,951,454,806	1,661,377,207	1,521,594,394	1,501,360,140	1,652,141,314	1,052,461,098	1,063,981,269	1,027,604,962	1,203,664,217	731,730,848	529,564,864	415,455,901	400,343,851	
Liabilities																					
Derivative financial instruments	8	-	-	-	3,607,938	-	-	-	-	-	-	264,269	79,782	-	977,038	1,545,098	904,009	1,378,306	1,027,493	-	
Amounts due to brokers		-	24,645,393	66,407,654	-	-	53,612,813	-	37,406,038	-	-	62,724	7,643,493	-	37,994,258	420,945	677,875	418,852	30,407	-	
Amounts payable on redemption		46,940	956	948,140	867,238	840,127	16,982,661	1,177,934	-	17,025,291	958,022	315,904	278,122	-	37,516,350	153,891	-	1,110,153	654,859	-	
Accruals and other payables	10(a), 10(b), 10(c)	638,939	360,651	628,984	249,859	500,204	394,546	837,827	456,756	1,152,124	1,136,423	682,742	328,980	399,557	387,534	11,620	11,459	11,620	11,459	75,152	
Total liabilities (excluding net assets attributable to unitholders)		685,879	25,007,000	67,984,778	4,725,035	1,340,331	70,990,020	2,015,761	37,862,794	18,177,415	2,094,445	1,325,639	8,330,377	399,557	76,875,180	2,131,554	1,593,343	2,918,931	1,724,218	75,152	
Net assets attributable to unitholders																					
Financial liabilities		<u>2,181,398,373</u>	<u>1,815,361,380</u>	<u>5,716,954,141</u>	<u>5,407,795,534</u>	<u>3,029,645,853</u>	<u>1,779,234,053</u>	<u>1,949,439,045</u>	<u>1,623,514,413</u>	<u>1,503,416,979</u>	<u>1,499,265,695</u>	<u>1,650,815,675</u>	<u>1,044,130,721</u>	<u>1,063,581,712</u>	<u>950,729,782</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,268,699</u>	
Equity		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,201,532,663</u>	<u>730,137,505</u>	<u>526,645,933</u>	<u>413,731,683</u>	<u>-</u>	
Represented by:																					
Net assets attributable to unitholders	4	2,181,398,373	1,815,361,380	5,716,954,141	5,407,795,534	3,029,645,853	1,779,234,053	1,949,439,045	1,623,514,413	1,503,416,979	1,499,265,695	1,650,815,675	1,044,130,721	1,063,581,712	950,729,782	1,201,532,663	730,137,505	526,645,933	413,731,683	400,268,699	
Number of units outstanding	4																				
- Class A ⁽³⁾		5,194,133,829	5,208,405,325	33,933,557,839	38,509,951,658	8,374,935,868	5,502,656,468	5,889,393,045	6,041,706,506	1,181,824,177	1,139,025,791	3,174,769,432	3,202,745,119	5,584,521,887	5,584,521,887	-	-	-	-	3,881,214,895	
- Class D		-	-	-	-	-	-	-	-	2,831,140,521	2,874,672,976	-	-	-	-	-	-	-	-	-	
- Class I ⁽³⁾		-	-	7,937,786,180	5,965,060,937	-	-	-	-	-	-	6,499,028,166	4,999,643,614	-	-	9,631,816,839	6,864,144,777	4,530,749,000	3,947,580,618	50,000,000	
- Class R ⁽¹⁾		243,341,729	257,479,230	3,357,481,923	475,711,625	696,282,573	640,965,473	769,067,467	812,755,425	7,999,122,347	8,454,392,425	1,599,613,165	179,864,407	2,793,907,671	2,785,360,983	-	-	-	-	-	
Net asset value per unit	4																				
- Class A ⁽³⁾		405.40	335.61	130.94	122.75	339.26	295.44	299.49	242.04	142.56	135.87	189.39	153.14	134.56	120.00	-	-	-	-	101.82	
- Class D		-	-	-	-	-	-	-	-	107.47	103.54	-	-	-	-	-	-	-	-	-	
- Class I ⁽³⁾		-	-	112.69	105.61	-	-	-	-	-	-	132.76	107.29	-	-	124.75	106.37	116.24	104.81	101.52	
- Class R ⁽¹⁾		310.97	261.65	112.92	106.84	270.58	239.51	241.38	198.33	128.85	123.83	116.75	95.98	111.71	100.73	-	-	-	-	-	

⁽¹⁾ Class R of BEA Union Investment Global Equity Fund was launched on 13 December 2018.

⁽²⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

⁽³⁾ Class A and Class I of BEA Union Investment Money Market Fund were launched on 9 January 2019.

Approved and authorised for issue by the Trustee and the Manager on 14 April 2020

)
) For and on behalf of
) Bank of East Asia (Trustees) Limited
) 東亞銀行(信託)有限公司
)
)
) For and on behalf of
) BEA Union Investment Management Limited
) 東亞聯豐投資管理有限公司
)

BEA UNION INVESTMENT CAPITAL GROWTH FUND

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (EXPRESSED IN HONG KONG DOLLARS)

Note	BEA Union Investment Asia Strategic Growth Fund		BEA Union Investment Global Bond Fund		BEA Union Investment Hong Kong Growth Fund		BEA Union Investment Greater China Growth Fund		BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund		BEA Union Investment Global Equity Fund		BEA Union Investment Asia Pacific Investment Grade Bond Fund		BEA Union Investment Core Accumulation Fund		BEA Union Investment Age 65 Plus Fund		BEA Union Investment Money Market Fund ⁽¹⁾
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
Income																			
Dividend income	51,026,232	54,113,496	-	-	76,425,686	69,259,900	37,444,415	50,254,647	-	-	29,624,699	21,854,653	-	-	-	-	-	-	-
Interest on cash at banks	2,518	3,493	64,853	73,192	2,959	1,077	16,913	10,381	853	296	344	1,723	-	-	-	-	-	-	196
Other income	-	177	-	-	-	-	-	-	-	-	-	-	865,455	1,829	-	-	-	-	-
Net gains/(losses) on investments	353,769,573	(386,275,405)	373,186,924	29,248,052	243,886,347	(347,533,077)	388,540,799	(289,808,138)	72,773,836	29,186,579	254,673,211	(98,045,853)	117,068,338	12,562,003	144,060,767	(36,256,529)	44,676,262	(6,050,268)	10,628,655
Exchange (losses)/gains	(5,176,415)	(5,890,579)	(1,710,246)	(21,791,023)	(1,471,042)	(52,470)	(7,307,151)	(1,743,604)	(69,719)	(63,036)	(1,628,916)	(4,854,650)	(521,657)	(3,157,264)	3,591,471	3,782,202	3,751,677	4,397,792	(88,552)
Total investment income/(loss)	399,621,908	(338,048,818)	371,541,531	7,530,221	318,843,950	(278,324,570)	418,694,976	(241,286,714)	72,704,970	29,123,839	282,669,338	(81,044,127)	117,413,608	9,406,568	147,652,238	(32,474,327)	48,427,939	(1,652,476)	10,540,299
Expenses																			
Investment management fees	1,064,908	1,188,047	1,631,423	399,829	2,536,749	2,718,626	2,589,555	2,823,740	10,877,050	10,363,348	1,331,258	12,683	3,451,862	3,245,791	-	-	-	-	12,293
Trustee's fees	88,742	99,004	163,142	39,983	211,396	226,552	258,956	282,374	1,011,290	967,551	133,126	1,268	345,186	324,579	-	-	-	-	2,459
Safe custody and bank charges	758,665	794,351	683,914	659,248	805,689	628,965	842,905	651,095	241,236	235,757	153,590	123,358	146,096	129,050	-	300	-	300	26,820
Audit fee	54,740	53,422	54,741	53,422	67,815	66,149	54,740	53,422	67,815	66,149	54,740	53,422	54,740	53,422	12,259	12,098	12,259	12,098	54,101
Registrar's fees	512,709	520,290	959,393	921,000	611,593	585,395	483,056	497,698	441,213	431,396	289,648	256,123	374,470	362,010	-	-	-	-	255,538
Pre-operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,536	18,450	29,536	18,450	1,581
Printing and publication expenses	14,228	7,653	38,344	19,281	20,114	10,285	12,866	6,941	10,351	5,374	9,720	3,602	7,257	3,632	2,408	1,368	1,222	862	488
Legal and other professional fees	70,950	51,373	78,818	600	39,956	4,933	58,309	54,263	19,757	-	111,433	53,270	16,230	600	-	-	-	-	96
Transaction costs	16,188,879	17,077,678	-	-	25,698,594	13,751,152	35,016,866	14,823,421	-	-	1,362,593	1,322,764	-	-	-	-	-	-	-
Other operating expenses	30,481	14,380	7,011	7,310	30,754	14,407	30,419	14,345	30,330	14,170	5,070	5,018	30,253	13,953	4,902	5,075	4,701	4,944	12,516
Total operating expenses	18,784,302	19,806,198	3,616,786	2,100,673	30,022,660	18,006,464	39,347,672	19,207,299	12,699,042	12,083,745	3,451,178	1,831,508	4,426,094	4,133,037	49,105	37,291	47,718	36,654	365,892
Profit/(loss) before taxation	380,837,606	(357,855,016)	367,924,745	5,429,548	288,821,290	(296,331,034)	379,347,304	(260,494,013)	60,005,928	17,040,094	279,218,160	(82,875,635)	112,987,514	5,273,531	147,603,133	(32,511,618)	48,380,221	(1,689,130)	10,174,407
Overseas tax	(5,723,610)	(6,427,475)	(1,065,372)	(127,988)	(3,737,958)	(3,602,677)	(3,901,019)	(4,860,129)	-	-	(6,050,638)	(4,812,971)	(117,267)	(238)	-	-	-	-	-
Change in net assets attributable to unitholders from operations	375,113,996	(364,282,491)	366,859,373	5,301,560	285,083,332	(299,933,711)	375,446,285	(265,354,142)	60,005,928	17,040,094	273,167,522	(87,688,606)	112,870,247	5,273,293	147,603,133	(32,511,618)	48,380,221	(1,689,130)	10,174,407

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

The notes on pages 84 to 139 form part of these financial statements.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS/STATEMENT OF CHANGES IN EQUITY FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (EXPRESSED IN HONG KONG DOLLARS)

	BEA Union Investment Asia Strategic Growth Fund		BEA Union Investment Global Bond Fund		BEA Union Investment Hong Kong Growth Fund		BEA Union Investment Greater China Growth Fund		BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Net assets attributable to unitholders at beginning of the year/period	1,815,361,380	2,427,861,840	5,407,795,534	5,175,689,832	1,779,234,053	3,257,319,348	1,623,514,413	1,989,897,543	1,499,265,695	1,234,582,034
Proceeds on subscription of units	23,563,075	167,524,924	1,145,159,357	804,801,154	1,199,131,032	116,272,581	26,645,902	26,044,467	144,520,929	453,433,461
Payments on redemption of units	(32,640,078)	(415,742,893)	(1,202,860,123)	(577,997,012)	(233,802,564)	(1,294,424,165)	(76,167,555)	(127,073,455)	(200,375,573)	(205,789,894)
Change in net assets attributable to unitholders from operations	1,806,284,377	2,179,643,871	5,350,094,768	5,402,493,974	2,744,562,521	2,079,167,764	1,573,992,760	1,888,868,555	1,443,411,051	1,482,225,601
	375,113,996	(364,282,491)	366,859,373	5,301,560	285,083,332	(299,933,711)	375,446,285	(265,354,142)	60,005,928	17,040,094
Net assets attributable to unitholders at end of the year/period	<u>2,181,398,373</u>	<u>1,815,361,380</u>	<u>5,716,954,141</u>	<u>5,407,795,534</u>	<u>3,029,645,853</u>	<u>1,779,234,053</u>	<u>1,949,439,045</u>	<u>1,623,514,413</u>	<u>1,503,416,979</u>	<u>1,499,265,695</u>

	BEA Union Investment Global Equity Fund		BEA Union Investment Asia Pacific Investment Grade Bond Fund		BEA Union Investment Core Accumulation Fund		BEA Union Investment Age 65 Plus Fund		BEA Union Investment Money Market Fund ⁽¹⁾
	2019	2018	2019	2018	2019	2018	2019	2018	2019
Net assets attributable to unitholders at beginning of the year/period	1,044,130,721	924,885,231	950,729,782	783,131,177	730,137,505	493,481,683	413,731,683	337,355,807	–
Proceeds on subscription of units	473,239,542	245,228,515	357,463,175	235,841,662	337,198,248	277,762,544	101,920,927	103,770,352	576,278,533
Payments on redemption of units	(139,722,110)	(38,294,419)	(357,481,492)	(73,516,350)	(13,406,223)	(8,595,104)	(37,386,898)	(25,705,346)	(186,184,241)
Change in net assets attributable to unitholders from operations	1,377,648,153	1,131,819,327	950,711,465	945,456,489	1,053,929,530	762,649,123	478,265,712	415,420,813	390,094,292
	273,167,522	(87,688,606)	112,870,247	5,273,293	147,603,133	(32,511,618)	48,380,221	(1,689,130)	10,174,407
Net assets attributable to unitholders at end of the year/period	<u>1,650,815,675</u>	<u>1,044,130,721</u>	<u>1,063,581,712</u>	<u>950,729,782</u>	<u>1,201,532,663</u>	<u>730,137,505</u>	<u>526,645,933</u>	<u>413,731,683</u>	<u>400,268,699</u>

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

The notes on pages 84 to 139 form part of these financial statements.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

CASH FLOW STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2019 (EXPRESSED IN HONG KONG DOLLARS)

	BEA Union Investment Asia Strategic Growth Fund		BEA Union Investment Global Bond Fund		BEA Union Investment Hong Kong Growth Fund		BEA Union Investment Greater China Growth Fund		BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund		BEA Union Investment Global Equity Fund		BEA Union Investment Asia Pacific Investment Grade Bond Fund		BEA Union Investment Core Accumulation Fund		BEA Union Investment Age 65 Plus Fund		BEA Union Investment Money Market Fund ⁽¹⁾	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
Operating activities																				
Profit/(loss) before taxation	380,837,606	(357,855,016)	367,924,745	5,429,548	288,821,290	(296,331,034)	379,347,304	(260,494,013)	60,005,928	17,040,094	279,218,160	(82,875,635)	112,987,514	5,273,531	147,603,133	(32,511,618)	48,380,221	(1,689,130)	10,174,407	
Adjustments for:																				
Interest on cash at banks	(2,518)	(3,493)	(64,853)	(73,192)	(2,959)	(1,077)	(16,913)	(10,381)	(853)	(296)	(344)	(1,723)	(1,472)	(1,829)	-	-	-	-	(196)	
Interest on bank deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,191,917)
Dividend income	(51,026,232)	(54,113,496)	-	-	(76,425,686)	(69,259,900)	(37,444,415)	(50,254,647)	-	-	(29,624,699)	(21,854,653)	-	-	-	-	-	-	-	-
Other income	-	(177)	-	-	-	-	-	-	-	-	-	-	(865,455)	-	-	-	-	-	-	-
Operating profit/(loss) before working capital changes	329,808,856	(411,972,182)	367,859,892	5,356,356	212,392,645	(365,592,011)	341,885,976	(310,759,041)	60,005,075	17,039,798	249,593,117	(104,732,011)	112,120,587	5,271,702	147,603,133	(32,511,618)	48,380,221	(1,689,130)	2,982,294	
Net (increase)/decrease in investments	(374,324,300)	664,070,221	(339,996,422)	(196,628,607)	(1,208,251,987)	1,338,471,483	(377,603,665)	362,081,588	2,013,681	(255,014,857)	(601,620,896)	(116,670,192)	(113,556,513)	(165,306,408)	(472,065,944)	(236,644,584)	(113,294,761)	(76,114,001)	(387,752,036)	
Net decrease/(increase) in amounts due from brokers	46,363,664	(27,146,149)	(20,009,766)	-	57,374,075	(57,374,075)	14,217,532	(22,366,047)	-	5,628,474	1,659,827	(1,722,451)	43,937,568	(43,937,568)	(153,891)	152,968	(455,294)	(583,761)	-	
Net (increase)/decrease in other receivables	-	-	(6,475)	496	-	-	-	-	-	-	(9,003)	(12,383)	-	100	29,536	(95,973)	29,537	(95,974)	(10,419)	
Net change in derivative financial instruments	-	-	(9,975,759)	(3,764,753)	-	-	-	-	-	-	184,487	23,718	(2,632,043)	968,924	641,089	84,307	350,813	(166,329)	-	
Net (decrease)/increase in amounts due to brokers	(24,645,393)	(6,796,194)	66,407,654	(25,267,587)	(53,612,813)	28,247,862	(37,406,038)	8,672,532	-	(11,458,862)	(7,580,769)	7,643,493	(37,994,258)	34,106,937	(256,930)	268,834	388,445	8,514	-	
Net increase/(decrease) in accruals and other payables	10,848	(203,631)	379,125	(126,597)	105,658	(254,740)	81,630	(190,823)	15,701	188,800	306,950	16,936	12,023	163,488	161	428	161	428	75,152	
Cash (used in)/generated from operations	(22,786,325)	217,952,065	64,658,249	(220,430,692)	(991,992,422)	943,498,519	(58,824,565)	37,438,209	62,034,457	(243,616,647)	(357,466,287)	(215,452,890)	1,887,364	(168,732,825)	(324,202,846)	(268,745,638)	(64,600,878)	(78,640,253)	(384,705,009)	
Dividend received, net of withholding tax	44,199,779	48,975,061	-	-	72,763,144	66,585,485	32,523,916	46,387,669	-	-	23,356,633	16,659,280	-	-	-	-	-	-	-	
Interest received, net of withholding tax	4,362	1,626	(583,450)	15,650	2,930	846	23,084	340	851	287	343	1,719	(57,783)	1,591	-	-	-	-	5,813,939	
Overseas tax paid	-	-	(415,736)	(73,773)	-	-	-	-	-	-	(70,569)	(35,661)	(58,443)	-	-	-	-	-	-	
Other income received	-	177	-	-	-	-	-	-	-	-	-	-	865,455	-	-	-	-	-	-	
Net cash generated from/(used in) operating activities	21,417,816	266,928,929	63,659,063	(220,488,815)	(919,226,348)	1,010,084,850	(26,277,565)	83,826,218	62,035,308	(243,616,360)	(334,179,880)	(198,827,552)	2,636,593	(168,731,234)	(324,202,846)	(268,745,638)	(64,600,878)	(78,640,253)	(378,891,070)	
Financing activities																				
Proceeds on subscription of units	23,563,075	168,470,456	1,144,948,804	804,689,497	1,200,089,054	115,673,448	26,645,902	26,044,467	144,488,634	453,433,461	470,957,406	245,062,824	357,463,175	235,841,662	337,455,178	277,493,710	101,532,482	103,761,838	576,278,533	
Payments on redemption of units	(32,594,094)	(416,786,259)	(1,202,779,221)	(577,361,938)	(249,945,098)	(1,278,706,540)	(74,989,621)	(133,559,373)	(184,308,304)	(207,342,271)	(139,684,328)	(38,309,817)	(394,997,842)	(36,000,000)	(13,252,332)	(8,748,072)	(36,931,604)	(25,121,585)	(186,184,241)	
Net cash (used in)/generated from financing activities	(9,031,019)	(248,315,803)	(57,830,417)	227,327,559	950,143,956	(1,163,033,092)	(48,343,719)	(107,514,906)	(39,819,670)	246,091,190	331,273,078	206,753,007	(37,534,667)	199,841,662	324,202,846	268,745,638	64,600,878	78,640,253	390,094,292	
Net increase/(decrease) in cash and cash equivalents	12,386,797	18,613,126	5,828,646	6,838,744	30,917,608	(152,948,242)	(74,621,284)	(23,688,688)	22,215,638	2,474,830	(2,906,802)	7,925,455	(34,898,074)	31,110,428	-	-	-	-	11,203,222	
Cash and cash equivalents at beginning of the year	40,884,171	22,271,045	187,294,888	180,456,144	20,751,261	173,699,503	86,109,334	109,798,022	13,009,297	10,534,467	23,490,947	15,565,492	41,373,201	10,262,773	-	-	-	-	-	
Cash and cash equivalents at end of the year	53,270,968	40,884,171	193,123,534	187,294,888	51,668,869	20,751,261	11,488,050	86,109,334	35,224,935	13,009,297	20,584,145	23,490,947	6,475,127	41,373,201	-	-	-	-	11,203,222	
Supplemental cash flow information:																				
Proceeds from sale of investments	3,057,178,007	3,505,003,905	13,058,126,943	12,899,595,795	5,048,619,330	3,831,083,247	6,705,982,944	3,118,545,593	2,159,930,488	2,142,908,385	833,220,003	878,172,872	3,038,918,418	2,384,719,566	82,484,277	37,896,897	61,224,902	37,458,047	1,117,700,780	
Payments for purchase of investments	(3,056,014,463)	(3,261,151,432)	(13,090,320,676)	(13,201,220,963)	(6,009,223,708)	(2,869,271,054)	(6,718,234,316)	(3,059,965,658)	(2,127,314,752)	(2,410,994,195)	(1,186,088,630)	(1,086,967,875)	(3,072,757,081)	(2,585,599,715)	(410,900,275)	(310,376,208)	(129,910,250)	(120,197,563)	(1,503,178,849)	

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

The notes on pages 84 to 139 form part of these financial statements.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED)

1 The Fund

BEA Union Investment Capital Growth Fund (“the Fund”) was established by the Trust Deed dated 22 September 2000, as amended and restated (“the Trust Deed, as amended and restated”).

The Fund is an umbrella fund which offers ten investment funds (collectively “the Sub-funds”) with different investment objectives and policies. As at 31 December 2019, the investment funds offered four classes of units, Class A, Class D, Class I and Class R. There is a minimum amount for initial investment and subsequent holding for Class D, Class I and Class R units. The Sub-funds of the Fund are:

– BEA Union Investment Asia Strategic Growth Fund	– launched on 15 April 2003
– BEA Union Investment Global Bond Fund	– launched on 1 March 2004
– BEA Union Investment Hong Kong Growth Fund	– launched on 10 December 2004
– BEA Union Investment Greater China Growth Fund	– launched on 1 September 2006
– BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund	– launched on 6 November 2007
– BEA Union Investment Global Equity Fund	– launched on 4 October 2012
– BEA Union Investment Asia Pacific Investment Grade Bond Fund	– launched on 20 June 2014
– BEA Union Investment Core Accumulation Fund	– launched on 1 April 2017
– BEA Union Investment Age 65 Plus Fund	– launched on 1 April 2017
– BEA Union Investment Money Market Fund	– launched on 9 January 2019

The Fund and the Sub-funds are authorised by the Hong Kong Securities and Futures Commission (“the SFC”) under Section 104 of the Hong Kong Securities and Futures Ordinance (“the SFO”) and approved by the Mandatory Provident Fund Schemes Authority (“the MPFA”) under Section 6 of the Mandatory Provident Fund Schemes (General) Regulation (“the General Regulation”) as approved pooled investment funds (“APIFs”).

The Trust Deed, as amended and restated, does not contain any requirement that a combined set of financial statements for the Fund itself be prepared. These financial statements are prepared for the Sub-funds only.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently and are consistent with those used in the previous year, unless otherwise stated.

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong, the relevant provisions of the Trust Deed, as amended and restated, the Hong Kong Mandatory Provident Fund Schemes Ordinance (“the Ordinance”), the General Regulation, the Code on Unit Trusts and Mutual Funds and other relevant guidelines issued by the MPFA. A summary of the significant accounting policies adopted by the Sub-funds is set out below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting year of the Sub-funds. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Sub-funds for the current and prior accounting years reflected in these financial statements.

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis except that financial instruments classified as fair value through profit or loss are stated at their fair value as explained in the accounting policies set out below.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(c) Investments

(i) Classification of financial assets

On initial recognition, the Sub-funds classify financial assets as measured at amortised cost or fair value through profit or loss ("FVTPL").

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI").

All other financial assets of the Sub-funds are measured at FVTPL.

Business model assessment

In making an assessment of the objective of the business model in which a financial asset is held, the Sub-funds consider all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Sub-fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Sub-funds' continuing recognition of the assets.

The Sub-funds have determined that they have two business models.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(i) Classification of financial assets (continued)

- Held-to-collect business model: this includes amounts due from brokers, amounts receivable on subscription, dividends and other receivables and cash at banks. These financial assets are held to collect contractual cash flow.
- Other business model: this includes bank deposits, debt securities and equity instruments. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Assessment whether contractual cash flows are SPPI

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Sub-funds consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Sub-funds consider:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Sub-funds' claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration for of the time value of money (e.g. periodical reset of interest rates).

The Sub-funds classify their investments based on the business model and contractual cash flows assessment. Accordingly, the Sub-funds classify all their equity instruments, debt securities derivative financial instruments and bank deposits into financial assets at FVTPL category. Financial assets measured at amortised cost include amounts due from brokers, amounts receivable on subscription, dividends and other receivables and cash at banks.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Sub-funds were to change their business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(ii) Classification of financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as at FVTPL if it is a derivative. Financial liabilities at FVTPL are measured at fair value and net gains and losses are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Any gain or loss on derecognition is also recognised in profit or loss.

Accordingly, the Sub-funds classify all their derivative financial instrument into financial liabilities at FVTPL category. Financial liabilities measured at amortised cost include amounts due to brokers, amounts payable on redemption and accruals and other payables.

(iii) Recognition

The Sub-funds recognise financial assets and financial liabilities on the date they becomes a party to the contractual provisions of the instruments.

A regular way purchase or sale of financial assets or financial liabilities at fair value through profit or loss is recognised on a trade date basis. From this date, any gains or losses arising from changes in fair value of the financial assets or financial liabilities at fair value through profit or loss are recorded.

Financial liabilities are not recognised unless one of the parties has performed their obligations under the contract or the contract is a derivative contract not exempted from the scope of HKFRS 9.

(iv) Measurement

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and liabilities at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair values recognised in profit or loss.

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(v) Fair value measurement principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Sub-funds have access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Sub-funds measure the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Sub-funds use valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

As at 31 December 2019 and 2018, investments that are listed or traded on an exchanged are valued based on their quoted last traded prices.

The Sub-funds recognise transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Net gains or losses on investments are included in profit or loss. Realised gains or losses on investments and unrealised gains or losses on investments arising from a change in fair value are provided in note 9. Net realised gains or losses from financial instruments at fair value through profit or loss is calculated using the average cost method.

(vi) Amortised cost measurement

The "amortised cost" of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(vii) Impairment

The Sub-funds recognise loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost.

The Sub-funds measure loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Sub-funds consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Sub-funds' historical experience and informed credit assessment and including forward-looking information.

The Sub-funds assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Sub-funds consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Sub-funds in full, without recourse by the Sub-funds to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Sub-funds consider a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'. The Sub-funds consider this to be Baa3 or higher per Moody's or BBB- or higher per Standard & Poor's.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Fund is exposed to credit risk.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(vii) Impairment (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Sub-funds assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statement of assets and liabilities

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Sub-funds have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

(viii) Derecognition

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership, have been transferred.

Assets held for trading that are sold are derecognised and corresponding receivables from brokers are recognised as of the date the Sub-funds commit to sell the assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

On derecognition of a financial asset, the difference between the carrying value of the asset and the consideration received is recognised in profit or loss.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(ix) Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when the Sub-funds have a legally enforceable right to offset the recognised amounts and the transactions are intended to be settled on a net basis or simultaneously, e.g. through a market clearing mechanism.

(d) Forward foreign exchange contracts

Outstanding forward foreign exchange contracts are valued at the year end date by reference to the forward rate of exchange applicable to the outstanding term of the contracts. Unrealised gains and losses on outstanding contracts and realised gains and losses on closed contracts are included in profit or loss under the heading "exchange (losses)/gains".

(e) Income and expenses

Interest income and expenses are recognised as they accrue under the effective interest method using the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability. Dividend income is recognised when the underlying securities are quoted ex-dividend. Dividend is presented gross of any non-recoverable withholding taxes, which are separately disclosed in profit or loss. Interest income on debt securities and bank deposits are included in gains on investments. All other income and expenses are accounted for on an accruals basis.

(f) Units in issue

The Sub-funds classify capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

A puttable financial instrument is classified as an equity instrument if it has all of the following features:

- It entitles the holder to a pro rata share of the sub-fund's net assets in the event of the sub-fund's liquidation.
- The instrument is in the class of instruments that is subordinate to all other classes of instruments.
- All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features.
- The instrument does not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro rata share of the Sub-fund's net assets.
- The total expected cash flows attributable to the instrument over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the sub-fund over the life of the instrument.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(f) Units in issue (continued)

In addition to the instrument having all the above features, the sub-fund must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the sub-fund; and
- The effect of substantially restricting or fixing the residual return to the puttable instrument holders.

BEA Union Investment Asia Strategic Growth Fund, BEA Union Investment Hong Kong Growth Fund, BEA Union Investment Greater China Growth Fund and BEA Union Investment Asia Pacific Investment Grade Bond Fund have four classes of redeemable units: Class A, Class D, Class I and Class R. Class A and Class R units were in issue.

BEA Union Investment Global Bond Fund and BEA Union Investment Global Equity Fund have four classes of redeemable units: Class A, Class D, Class I and Class R. Class A, Class I and Class R units were in issue.

BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund has four classes of redeemable units: Class A, Class D, Class I and Class R. Class A, Class D and Class R units were in issue.

BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund have one class of redeemable unit in issue, which was Class I.

BEA Union Investment Money Market Fund has two classes of redeemable units: Class A, and Class I. Class A and Class I units were in issue.

All redeemable units issued by the Sub-funds provide the investors with the right to require redemption for cash at a value proportionate to the investor's share in the corresponding sub-fund's net assets at each daily redemption date and also in the event of the corresponding sub-fund's liquidation.

Consequently, except for BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund, all the Sub-funds have issued multiple classes of units, which rank pari passu in all material respects but have different terms and conditions as set out in the Explanatory Memorandum, which include minimum investment amounts, management fees, preliminary charges, realisation charges, switching fees, holders' servicing fees and distribution policy. Those redeemable units are the most subordinate classes of financial instruments in the Sub-funds. However, as the different classes of redeemable units do not have identical features, they do not meet the criteria for equity classification and therefore are classified as financial liabilities. They are measured at the redemption amounts.

Redeemable units of BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund meet the definition of puttable instruments and being classified as equity instruments as at 31 December 2019 and 31 December 2018.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(f) Units in issue (continued)

The Trustee continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out in paragraphs 16A and 16B of HKAS 32, the Trustee will reclassify them as financial liabilities and measure them at fair value at the date of the reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions set out in paragraphs 16A and 16B of HKAS 32, the Trustee will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

(g) Foreign currencies translation

(i) Functional and presentation currency

Items included in the Sub-funds' financial statements are measured using the currency of the primary economic environment in which they operate ("the functional currency").

The financial statements of the Sub-funds are presented in Hong Kong dollars ("HKD"), which is these sub-funds' functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and demand deposits with banks and other financial institutions that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

(i) Financial assets and liabilities not at fair value

Financial assets that are measured at amortised cost include amounts due from brokers, amounts receivable on subscription, dividends and other receivables and cash at banks, which are initially recognised at fair value and subsequently stated at amortised cost using the effective interest method, less impairment losses, if any.

Financial liabilities that are not at fair value through profit or loss include amounts due to brokers, amounts payable on redemption and accruals and other payables, which are initially recognised at fair value and subsequently stated at amortised cost using the effective interest method.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(j) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of assets and liabilities when, and only when, the Sub-funds have a legal right to offset the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses.

(k) Related parties

(a) A person, or a close member of that person's family, is related to the Sub-funds if that person:

- (i) has control or joint control over the Sub-funds;
- (ii) has significant influence over the Sub-funds; or
- (iii) is a member of the key management personnel of the Sub-funds or the Sub-funds' parent.

(b) An entity is related to the Sub-funds if any of the following conditions applies:

- (i) The entity and the Sub-funds are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of an entity related to the Sub-funds.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group which it is a part, provides key management personnel services to the Sub-funds or to the Sub-fund's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

2 Summary of significant accounting policies (continued)

(i) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as BEA Union Investment Management Limited ("the Manager").

3 Changes in accounting policies

A number of new standards are effective from 1 January 2019 but they do not have a material effect on the Sub-funds' financial statements.

The Sub-funds have consistently applied the accounting policies as set out in note 2 to all periods presented in these financial statements.

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BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

4 Capital management and units in issue

The Sub-funds' capital is represented by the net assets attributable to unitholders. The Sub-funds have no restrictions on the subscription and redemption of units. Subscriptions and redemptions of units during the year are shown on the statement of changes in net assets attributable to unitholders. In order to achieve the investment objectives, the Sub-funds endeavor to invest subscriptions received in accordance with the investment policies as outlined in the investment report. Redemptions are met by disposals of investments where necessary.

Movement of units in issue

	BEA Union Investment Asia Strategic Growth Fund		BEA Union Investment Global Bond Fund		BEA Union Investment Hong Kong Growth Fund		BEA Union Investment Greater China Growth Fund		BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund		BEA Union Investment Global Equity Fund		BEA Union Investment Asia Pacific Investment Grade Bond Fund		BEA Union Investment Core Accumulation Fund		BEA Union Investment Age 65 Plus Fund		BEA Union Investment Money Market Fund ⁽¹⁾
	2019 Units	2018 Units	2019 Units	2018 Units	2019 Units	2018 Units	2019 Units	2018 Units	2019 Units	2018 Units	2019 Units	2018 Units	2019 Units	2018 Units	2019 Units	2018 Units	2019 Units	2018 Units	2019 Units
Class A⁽²⁾																			
Balance at the beginning of the year/period	5,208,405.325	5,734,087.375	38,509,951.658	38,228,964.981	5,502,656.468	8,855,765.696	6,041,706.506	6,334,794.638	1,139,025.791	1,153,802.867	3,202,745.119	3,122,436.599	5,584,521.887	5,580,675.591	-	-	-	-	-
Units issued	62,693.241	453,920.115	3,971,914.510	4,548,295.272	3,553,850.917	261,148.375	91,454.208	61,822.154	89,421.810	49,349.030	120,932.884	94,655.923	-	3,982.728	-	-	-	-	5,712,536.524
Units redeemed	(76,964.737)	(979,602.165)	(8,548,308.329)	(4,267,308.595)	(681,571.517)	(3,614,257.603)	(243,767.669)	(354,910.286)	(46,623.424)	(64,126.106)	(148,908.571)	(14,347.403)	-	(136.432)	-	-	-	-	(1,831,321.629)
Balance at the end of the year/period	<u>5,194,133.829</u>	<u>5,208,405.325</u>	<u>33,933,557.839</u>	<u>38,509,951.658</u>	<u>8,374,935.868</u>	<u>5,502,656.468</u>	<u>5,889,393.045</u>	<u>6,041,706.506</u>	<u>1,181,824.177</u>	<u>1,139,025.791</u>	<u>3,174,769.432</u>	<u>3,202,745.119</u>	<u>5,584,521.887</u>	<u>5,584,521.887</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,881,214.895</u>
Class D																			
Balance at the beginning of the year	-	-	-	-	-	-	-	-	2,874,672.976	1,313,302.030	-	-	-	-	-	-	-	-	-
Units issued	-	-	-	-	-	-	-	-	183,516.450	2,037,678.326	-	-	-	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-	-	-	(227,048.905)	(476,307.380)	-	-	-	-	-	-	-	-	-
Balance at the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,831,140.521</u>	<u>2,874,672.976</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Class I⁽²⁾																			
Balance at the beginning of the year/period	-	-	5,965,060.937	4,311,522.276	-	-	-	-	-	-	4,999,643.614	3,493,168.116	-	-	6,864,144.777	4,456,515.737	3,947,580.618	3,207,896.595	-
Units issued	-	-	2,557,115.458	2,084,517.444	-	-	-	-	-	-	2,161,917.595	1,806,592.597	-	-	2,883,138.290	2,484,469.867	913,444.809	983,069.793	50,000.000
Units redeemed	-	-	(584,390.215)	(430,978.783)	-	-	-	-	-	-	(662,533.043)	(300,117.099)	-	-	(115,466.228)	(76,840.827)	(330,276.427)	(243,385.770)	-
Balance at the end of the year/period	<u>-</u>	<u>-</u>	<u>7,937,786.180</u>	<u>5,965,060.937</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,499,028.166</u>	<u>4,999,643.614</u>	<u>-</u>	<u>-</u>	<u>9,631,816.839</u>	<u>6,864,144.777</u>	<u>4,530,749.000</u>	<u>3,947,580.618</u>	<u>50,000.000</u>
Class R																			
Balance at the beginning of the year	257,479.230	263,719.170	475,711.625	384,789.650	640,965.473	732,120.300	812,755.425	888,239.576	8,454,392.425	7,719,422.420	179,864.407	-	2,785,360.983	1,173,762.057	-	-	-	-	-
Units issued	2,162.435	22,719.846	3,110,300.783	150,994.469	128,803.629	109,296.637	9,405.288	40,727.482	877,893.841	1,954,501.957	1,727,921.407	179,864.407	3,214,160.279	2,347,232.127	-	-	-	-	-
Units redeemed	(16,299.936)	(28,959.786)	(228,530.485)	(60,072.494)	(73,486.529)	(200,451.464)	(53,093.246)	(116,211.633)	(1,333,163.919)	(1,219,531.952)	(308,172.649)	-	(3,205,613.591)	(735,633.201)	-	-	-	-	-
Balance at the end of the year	<u>243,341.729</u>	<u>257,479.230</u>	<u>3,357,481.923</u>	<u>475,711.625</u>	<u>696,282.573</u>	<u>640,965.473</u>	<u>769,067.467</u>	<u>812,755.425</u>	<u>7,999,122.347</u>	<u>8,454,392.425</u>	<u>1,599,613.165</u>	<u>179,864.407</u>	<u>2,793,907.671</u>	<u>2,785,360.983</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

⁽²⁾ Class A and Class I of BEA Union Investment Money Market Fund were launched on 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

4 Capital management and units in issue (continued)

Net assets attributable to unitholders as at 31 December

(Expressed in Hong Kong dollars)

	BEA Union Investment Asia Strategic Growth Fund		BEA Union Investment Global Bond Fund		BEA Union Investment Hong Kong Growth Fund		BEA Union Investment Greater China Growth Fund		BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund		BEA Union Investment Global Equity Fund		BEA Union Investment Asia Pacific Investment Grade Bond Fund		BEA Union Investment Core Accumulation Fund		BEA Union Investment Age 65 Plus Fund		BEA Union Investment Money Market Fund ⁽¹⁾	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	
Net assets attributable to unitholders																				
Class A units ⁽²⁾	<u>2,105,726,657</u>	<u>1,747,992,000</u>	<u>4,443,335,010</u>	<u>4,727,011,914</u>	<u>2,841,245,691</u>	<u>1,625,713,727</u>	<u>1,763,799,218</u>	<u>1,462,324,365</u>	<u>168,480,640</u>	<u>154,764,836</u>	<u>601,272,621</u>	<u>490,473,229</u>	<u>751,473,872</u>	<u>670,169,235</u>	-	-	-	-	-	<u>395,192,532</u>
Class D units	-	-	-	-	-	-	-	-	<u>304,259,055</u>	<u>297,632,092</u>	-	-	-	-	-	-	-	-	-	-
Class I units ⁽²⁾	-	-	<u>894,500,771</u>	<u>629,958,024</u>	-	-	-	-	-	-	<u>862,781,372</u>	<u>536,394,209</u>	-	-	<u>1,201,532,663</u>	<u>730,137,505</u>	<u>526,645,933</u>	<u>413,731,683</u>	-	<u>5,076,167</u>
Class R units	<u>75,671,716</u>	<u>67,369,380</u>	<u>379,118,360</u>	<u>50,825,596</u>	<u>188,400,162</u>	<u>153,520,326</u>	<u>185,639,827</u>	<u>161,190,048</u>	<u>1,030,677,284</u>	<u>1,046,868,767</u>	<u>186,761,682</u>	<u>17,263,283</u>	<u>312,107,840</u>	<u>280,560,547</u>	-	-	-	-	-	-
Net assets attributable to unitholders per unit																				
Class A units ⁽²⁾	<u>405.40</u>	<u>335.61</u>	<u>130.94</u>	<u>122.75</u>	<u>339.26</u>	<u>295.44</u>	<u>299.49</u>	<u>242.04</u>	<u>142.56</u>	<u>135.87</u>	<u>189.39</u>	<u>153.14</u>	<u>134.56</u>	<u>120.00</u>	-	-	-	-	-	<u>101.82</u>
Class D units	-	-	-	-	-	-	-	-	<u>107.47</u>	<u>103.54</u>	-	-	-	-	-	-	-	-	-	-
Class I units ⁽²⁾	-	-	<u>112.69</u>	<u>105.61</u>	-	-	-	-	-	-	<u>132.76</u>	<u>107.29</u>	-	-	<u>124.75</u>	<u>106.37</u>	<u>116.24</u>	<u>104.81</u>	-	<u>101.52</u>
Class R units	<u>310.97</u>	<u>261.65</u>	<u>112.92</u>	<u>106.84</u>	<u>270.58</u>	<u>239.51</u>	<u>241.38</u>	<u>198.33</u>	<u>128.85</u>	<u>123.83</u>	<u>116.75</u>	<u>95.98</u>	<u>111.71</u>	<u>100.73</u>	-	-	-	-	-	-

As a result of the ability to issue and redeem units, the capital of the Sub-funds can vary depending on the demand for subscriptions and redemptions to the Sub-funds. The Sub-funds are not subject to externally imposed capital requirements and restrictions on the issuance and redemption of units.

The Sub-funds' objectives for managing capital are:

- To safeguard capital while achieve returns by investing in accordance with the Sub-funds' investment objectives, descriptions, risk exposures and expected returns indicated in the Explanatory Memorandum.
- To maintain sufficient liquidity to meet the expenses of the Sub-funds and to meet redemption requests as they arise.
- To maintain sufficient size to make the operation of the Sub-funds cost-efficient.

The Manager manages the capital of the Sub-funds in accordance with the Sub-funds' investment objectives and policies. With a view to protecting the interests of unitholders, the Manager is entitled at its discretion and with the approval of the Trustee to limit the number of units in any sub-fund redeemed on any dealing day to 10% of the total number of units of that sub-fund in issue.

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

⁽²⁾ Class A and Class I of BEA Union Investment Money Market Fund were launched on 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

5 Critical accounting estimates and assumptions

Bank of East Asia (Trustees) Limited (“the Trustee”) makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Fair value of investments

Certain sub-funds hold a number of unlisted debt securities that are valued by reference to broker quotes. In determining the fair value of such investments, the Trustee exercises judgments and estimates on the sources of brokers and the quantity and quality of quotes used. Such quotes adopted to fairly value the investments may be indicative only and not executable or legally binding. As such, broker quotes do not necessarily indicate the price at which the security could actually be traded as of 31 December 2019. Actual transacted prices may differ from the quotes provided by the brokers. The Trustee considers that in the absence of any other reliable market sources, the broker quotes available to them reflect the best estimate of fair value.

6 Financial risk management

Strategy in using financial instruments

The investment objective of BEA Union Investment Asia Strategic Growth Fund is to provide investors with long-term capital growth in HK dollar terms through investing in a diversified portfolio primarily consisting of listed securities of companies that conduct a significant portion of their business activities in, or derive or are expected to derive a significant portion of their revenues from the Asia Pacific region but excluding Japan.

The investment objective of BEA Union Investment Global Bond Fund is to provide investors with total investment return over the medium to long-term through investing in a diversified range of global bonds denominated in various major currencies.

The investment objective of BEA Union Investment Hong Kong Growth Fund is to provide investors with long-term capital growth in HK dollar terms through investing in a diversified portfolio consisting primarily of securities of companies, either listed or with operations or interests principally in Hong Kong.

The investment objective of BEA Union Investment Greater China Growth Fund is to provide investors with long-term capital growth through investing in a diversified portfolio primarily consisting of listed securities of companies that conduct a significant portion of their business activities in, or derive or are expected to derive a significant portion of their revenues from Greater China, which includes the People’s Republic of China (“PRC”), Hong Kong, Macau and Taiwan.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

Strategy in using financial instruments (continued)

The investment objective of BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund is to provide investors with long-term capital growth in HK dollar terms through investing in a portfolio consisting primarily of HK dollar denominated interest bearing securities.

The investment objective of the BEA Union Investment Global Equity Fund is to provide investors with long-term capital growth through investing in a diversified global portfolio.

The investment objective of BEA Union Investment Asia Pacific Investment Grade Bond Fund is to provide total investment return over the medium to long-term through investing in Asia Pacific investment grade bonds.

The investment objective of BEA Union Investment Core Accumulation Fund is to achieve capital growth by investing in a globally diversified manner in two approved pool investment funds, namely the BEA Union Investment Global Equity Fund (which invests in a diversified global equity portfolio) and the BEA Union Investment Global Bond Fund (which invests in a diversified global bond portfolio) (the “Underlying Funds”), both existing Investment Funds under the Fund.

The investment objective of BEA Union Investment Age 65 Plus Fund is to achieve stable growth by investing in a globally diversified manner in two approved pool investment funds, namely the BEA Union Investment Global Equity Fund (which invests in a diversified global equity portfolio) and the BEA Union Investment Global Bond Fund (which invests in a diversified global bond portfolio) (the “Underlying Funds”), both existing Investment Funds under the Fund.

The investment objective of BEA Union Investment Money Market Fund is to maintain a high degree of liquidity while providing current income by investing in short-term HK dollar and/or US dollar denominated instruments in Hong Kong that can be converted into cash in a timely manner.

The Sub-funds’ activities expose them to a variety of financial risks: market risk (including currency risk, fair value and cash flow interest rate risk and price risk), credit risk and liquidity risk. The risks and the financial risk management policies and practices used by the Manager to manage these risks are discussed below.

(a) Market risk

Market risk embodies the potential for both losses and gains and includes currency risk, interest rate risk and price risk. The Sub-funds’ strategies on the management of market risk are driven by the Sub-funds’ investment objectives.

The Sub-funds’ market risk is managed on a regular basis by the Manager in accordance with policies and procedures in place. The Sub-funds’ overall market position is monitored on a yearly basis by the Trustee. Details of the nature of the Sub-funds’ investment portfolios at the reporting date are disclosed in the investment report.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk

The Sub-funds hold assets and liabilities denominated in currencies other than their functional currencies and are therefore exposed to currency risk that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value of the Sub-funds' assets and liabilities denominated in currencies other than HKD.

The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of that asset or liability. The Manager monitors all the Sub-funds' foreign currency positions on a daily basis. BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund and BEA Union Investment Money Market Fund did not hold any assets denominated in currencies other than HKD and/or United States dollars ("USD"). In view of the pegging of HKD to USD, the sub-funds do not expect any significant movement in USD/HKD exchange rate.

Sensitivity analysis

Each Sub-fund's net direct exposure to each currency other than HKD at the reporting date and their estimated impact to the net assets attributable to unitholders and the change in net assets attributable to unitholders from operations for the year had the HKD weakened by 5% (2018: 5%) are illustrated below. The analysis is performed on the same basis as 2018.

	As at 31 December 2019		As at 31 December 2018	
	Net direct exposure HK\$	Estimated increase had the HKD weakened by 5% HK\$	Net direct exposure HK\$	Estimated increase had the HKD weakened by 5% HK\$
BEA Union Investment Asia Strategic Growth Fund				
Australian dollar	77	4	78	4
Indian rupee	5,727	286	5,883	294
Indonesian rupiah	57,464,775	2,873,239	65,534,584	3,276,729
Korean won	367,969,857	18,398,493	341,163,627	17,058,181
Malaysian ringgit	13,712,606	685,630	16,292,574	814,629
New Taiwan dollar	383,936,278	19,196,814	266,134,222	13,306,711
Philippine peso	43,628,676	2,181,434	17,142,824	857,141
Renminbi	73,767,467	3,688,373	12,417,321	620,866
Singapore dollar	87,470,405	4,373,520	97,617,917	4,880,896
Thai baht	50,839,354	2,541,968	45,856,367	2,292,818

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

	As at 31 December 2019		As at 31 December 2018	
	Net direct exposure HK\$	Estimated increase had the HKD weakened by 5% HK\$	Net direct exposure HK\$	Estimated increase had the HKD weakened by 5% HK\$
BEA Union Investment Global Bond Fund				
Australian dollar	99,395,547	4,969,777	82,364,880	4,118,244
British pound	231,613,639	11,580,682	223,686,858	11,184,343
Canadian dollar	74,324,472	3,716,224	48,984,871	2,449,244
Danish krone	911	46	952	48
Euro	1,407,851,794	70,392,590	1,222,213,694	61,110,685
Indonesian rupiah	67,777,556	3,388,878	1,259,639	62,982
Japanese yen	881,130,646	44,056,532	719,170,478	35,958,524
Korean won	1,304,772	65,239	1,357,754	67,888
Malaysian ringgit	1,442,553	72,128	1,434,765	71,738
New Zealand dollar	269,095	13,455	267,782	13,389
Norwegian krone	5,679,409	283,970	5,791,203	289,560
Renminbi	1,065,604	53,280	1,060,066	53,003
Singapore dollar	14,430,230	721,512	13,523,485	676,174
BEA Union Investment Hong Kong Growth Fund				
Renminbi	154,955,698	7,747,785	101	5
BEA Union Investment Greater China Growth Fund				
New Taiwan dollar	497,918,831	24,895,942	340,798,978	17,039,949
Renminbi	93,663,358	4,683,168	35,758,247	1,787,912

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

	As at 31 December 2019		As at 31 December 2018	
	Net direct exposure HK\$	Estimated increase had the HKD weakened by 5% HK\$	Net direct exposure HK\$	Estimated increase had the HKD weakened by 5% HK\$
BEA Union Investment Global Equity Fund				
Australian dollar	32,992,410	1,649,621	16,156,052	807,803
Brazilian real	20,402,942	1,020,147	4,885,907	244,295
British pound	83,622,065	4,181,103	50,075,652	2,503,783
Canadian dollar	34,356,034	1,717,802	28,737,187	1,436,859
Danish krone	4,670,891	233,545	10,957,598	547,880
Euro	184,383,177	9,219,159	106,187,093	5,309,355
Indian rupee	9,829,767	491,488	9,449,332	472,467
Indonesian rupiah	5,811,855	290,593	3,182,116	159,106
Japanese yen	121,145,790	6,057,290	92,544,473	4,627,224
Korean won	23,444,579	1,172,229	15,517,577	775,879
Malaysia ringgit	1,255,329	62,766	1,590,234	79,512
New Taiwan dollar	22,411,773	1,120,589	5,760,175	288,009
Israeli new shekel	–	–	1,035,672	51,784
Singapore dollar	8,006,982	400,349	5,714,051	285,703
South African rand	5,821,178	291,059	6,220,489	311,024
Swedish krona	1,151,355	57,568	15,348,364	767,418
Swiss franc	47,592,409	2,379,620	32,156,361	1,607,818
Thai baht	1,474,205	73,710	1,424,689	71,234
BEA Union Investment Asia Pacific Investment Grade Bond Fund				
Australian dollar	16,027	801	16,034	802
Indonesian Rupiah	339,122	16,956	–	–
Malaysia ringgit	163,865	8,193	162,980	8,149
Renminbi	218,475	10,924	222,105	11,105
Singapore dollar	74,433	3,722	73,785	3,689

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

	As at 31 December 2019		As at 31 December 2018	
	Net direct exposure HK\$	Estimated increase had the HKD weakened by 5% HK\$	Net direct exposure HK\$	Estimated increase had the HKD weakened by 5% HK\$
BEA Union Investment Core Accumulation Fund				
Australian dollar	15,364,830	768,242	7,279,038	363,952
Brazilian real	9,007,393	450,370	2,032,635	101,632
British pound	38,793,469	1,939,673	22,247,007	1,112,350
Canadian dollar	21,332,649	1,066,632	14,641,702	732,085
Danish krone	2,062,158	103,108	4,558,631	227,932
Euro	93,164,616	4,658,231	52,204,205	2,610,210
Indian rupee	4,339,598	216,980	3,931,110	196,556
Indonesian rupiah	8,188,026	409,401	1,392,906	69,645
Israeli new shekel	–	–	430,860	21,543
Japanese yen	61,929,952	3,096,498	43,412,351	2,170,618
Korean won	10,458,433	522,922	6,530,084	326,504
Malaysia ringgit	673,858	33,693	740,255	37,013
New Taiwan dollar	9,894,242	494,712	2,396,347	119,817
New Zealand dollar	22,322	1,116	14,686	734
Norwegian korne	471,114	23,556	317,605	15,880
Renminbi	88,393	4,420	58,137	2,907
Singapore dollar	4,731,890	236,595	3,118,823	155,941
South African rand	2,569,906	128,495	2,587,847	129,392
Swedish krona	508,295	25,415	6,385,225	319,261
Swiss franc	21,010,869	1,050,543	13,377,686	668,884
Thai baht	650,825	32,541	592,699	29,635

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

	As at 31 December 2019		As at 31 December 2018	
	Net direct exposure HK\$	Estimated increase had the HKD weakened by 5% HK\$	Net direct exposure HK\$	Estimated increase had the HKD weakened by 5% HK\$
BEA Union Investment Age 65 Plus Fund				
Australian dollar	2,817,502	140,875	1,835,388	91,769
Brazilian real	1,330,962	66,548	380,353	19,018
British pound	7,017,192	350,860	5,353,086	267,654
Canadian dollar	7,705,120	385,256	5,257,035	262,852
Danish krone	304,767	15,238	853,075	42,654
Euro	21,843,525	1,092,176	16,555,709	827,785
Indian rupee	641,233	32,062	735,602	36,780
Indonesian rupiah	5,361,779	268,089	325,375	16,269
Israeli new shekel	–	–	80,624	4,031
Japanese yen	15,013,321	750,666	12,295,639	614,782
Korean won	1,625,300	81,265	1,291,702	64,585
Malaysia ringgit	187,939	9,397	212,249	10,612
New Taiwan dollar	1,462,006	73,100	448,412	22,421
New Zealand dollar	19,782	989	16,509	825
Norwegian korne	417,520	20,876	357,029	17,851
Renminbi	78,338	3,917	65,353	3,268
Singapore dollar	1,583,161	79,158	1,278,549	63,927
South African rand	379,738	18,987	484,246	24,212
Swedish krona	75,107	3,755	1,194,824	59,741
Swiss franc	3,104,635	155,232	2,503,276	125,164
Thai baht	96,168	4,808	110,908	5,545

A 5% appreciation of HKD against the above currencies would have resulted in an equal but opposite effect on the financial statements, on the basis that all other variables remain constant.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk

Interest rate risk arises from change in interest rates which may inversely affect the value of debt instruments and therefore result in potential gain or loss to the Sub-funds.

All Sub-funds did not have any interest-bearing liabilities as at year end and except for the BEA Union Investment Global Bond Fund, BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund, BEA Union Investment Asia Pacific Investment Grade Bond Fund and BEA Union Investment Money Market Fund, interest-bearing assets were limited to bank deposits, accordingly it is considered that they did not have significant direct interest rate risk exposure.

The Manager monitors all the Sub-funds' direct exposure to interest rate risk at least on a monthly basis.

The following table illustrates the interest rate risk exposure of BEA Union Investment Global Bond Fund, BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund, BEA Union Investment Asia Pacific Investment Grade Bond Fund and BEA Union Investment Money Market Fund. It includes their interest rate sensitivity gaps and the year in which the interest rates of interest bearing assets and interest bearing liabilities reprice (the earlier of contractual re-pricing or maturity date) as at year end.

BEA Union Investment Global Bond Fund

As at 31 December 2019

	Up to 1 year HK\$	1 – 5 years HK\$	Over 5 years HK\$	Non-interest bearing HK\$	Total HK\$
Assets					
Investments	544,476,704	1,538,367,959	3,482,072,950	–	5,564,917,613
Cash at banks	193,123,534	–	–	–	193,123,534
Other assets	–	–	–	26,897,772	26,897,772
Total assets	737,600,238	1,538,367,959	3,482,072,950	26,897,772	5,784,938,919
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	67,984,778	67,984,778
Total interest sensitivity gap	737,600,238	1,538,367,959	3,482,072,950		

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

BEA Union Investment Global Bond Fund (continued)

As at 31 December 2018

	Up to 1 year HK\$	1 – 5 years HK\$	Over 5 years HK\$	Non-interest bearing HK\$	Total HK\$
Assets					
Investments	662,643,984	1,508,011,808	3,054,265,399	–	5,224,921,191
Cash at banks	187,294,888	–	–	–	187,294,888
Other assets	–	–	–	304,490	304,490
Total assets	<u>849,938,872</u>	<u>1,508,011,808</u>	<u>3,054,265,399</u>	<u>304,490</u>	<u>5,412,520,569</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	4,725,035	4,725,035
Total interest sensitivity gap	<u>849,938,872</u>	<u>1,508,011,808</u>	<u>3,054,265,399</u>		

At year end, should the relevant market interest rates have been increased by a certain percentage with all other variables held constant, the estimated impact on the net assets attributable to unitholders and the change in net assets attributable to unitholders from operations for the year are shown in the table below.

	% possible reasonable shift	Estimated increase/ (decrease) 2019 HK\$	Estimated increase/ (decrease) 2018 HK\$
BEA Union Investment Global Bond Fund	+0.25%	(114,930,934)	(87,468,388)

Due to current market conditions, the Manager does not anticipate that the interest rates will decrease any further and considers the downward impact will be minimal.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund

As at 31 December 2019

	Up to 1 year HK\$	1 – 5 years HK\$	Over 5 years HK\$	Non-interest bearing HK\$	Total HK\$
Assets					
Investments	162,226,379	703,125,606	620,985,167	–	1,486,337,152
Cash at banks	35,224,935	–	–	–	35,224,935
Other assets	–	–	–	32,307	32,307
Total assets	<u>197,451,314</u>	<u>703,125,606</u>	<u>620,985,167</u>	<u>32,307</u>	<u>1,521,594,394</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	18,177,415	18,177,415
Total interest sensitivity gap	<u>197,451,314</u>	<u>703,125,606</u>	<u>620,985,167</u>		

As at 31 December 2018

	Up to 1 year HK\$	1 – 5 years HK\$	Over 5 years HK\$	Non-interest bearing HK\$	Total HK\$
Assets					
Investments	87,470,294	990,785,205	410,095,334	–	1,488,350,833
Cash at banks	13,009,297	–	–	–	13,009,297
Other assets	–	–	–	10	10
Total assets	<u>100,479,591</u>	<u>990,785,205</u>	<u>410,095,334</u>	<u>10</u>	<u>1,501,360,140</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	2,094,445	2,094,445
Total interest sensitivity gap	<u>100,479,591</u>	<u>990,785,205</u>	<u>410,095,334</u>		

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund (continued)

At year end, should the relevant market interest rates have been increased by a certain percentage with all other variables held constant, the estimated impact on the net assets attributable to unitholders and the change in net assets attributable to unitholders from operations for the year are shown in the table below.

	% possible reasonable shift	Estimated increase/ (decrease) 2019 HK\$	Estimated increase/ (decrease) 2018 HK\$
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund	+0.25%	(17,003,513)	(13,591,117)

Due to current market conditions, the Manager does not anticipate that the interest rates will decrease any further and considers the downward impact will be minimal.

BEA Union Investment Asia Pacific Investment Grade Bond Fund

As at 31 December 2019

	Up to 1 year HK\$	1 – 5 years HK\$	Over 5 years HK\$	Non-interest bearing HK\$	Total HK\$
Assets					
Investments	14,755,557	434,025,573	607,069,575	-	1,055,850,705
Cash at banks	6,475,127	-	-	-	6,475,127
Other assets	-	-	-	1,655,437	1,655,437
Total assets	<u>21,230,684</u>	<u>434,025,573</u>	<u>607,069,575</u>	<u>1,655,437</u>	<u>1,063,981,269</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	-	-	-	399,557	399,557
Total interest sensitivity gap	<u>21,230,684</u>	<u>434,025,573</u>	<u>607,069,575</u>		

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

BEA Union Investment Asia Pacific Investment Grade Bond Fund (continued)

As at 31 December 2018

	Up to 1 year HK\$	1 – 5 years HK\$	Over 5 years HK\$	Non-interest bearing HK\$	Total HK\$
Assets					
Investments	5,952,819	421,322,273	515,019,100	-	942,294,192
Cash at banks	41,373,201	-	-	-	41,373,201
Other assets	-	-	-	43,937,569	43,937,569
Total assets	<u>47,326,020</u>	<u>421,322,273</u>	<u>515,019,100</u>	<u>43,937,569</u>	<u>1,027,604,962</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	-	-	-	76,875,180	76,875,180
Total interest sensitivity gap	<u>47,326,020</u>	<u>421,322,273</u>	<u>515,019,100</u>		

At year end, should the relevant market interest rates have been increased by a certain percentage with all other variables held constant, the estimated impact on the net assets attributable to unitholders and the change in net assets attributable to unitholders from operation for the year are shown in the table below.

	% possible reasonable shift	Estimated increase/ (decrease) 2019 HK\$	Estimated increase/ (decrease) 2018 HK\$
BEA Union Investment Asia Pacific Investment Grade Bond Fund	+0.25%	(14,407,137)	(11,887,243)

Due to current market conditions, the Manager does not anticipate that the interest rates will decrease any further and considers the downward impact will be minimal.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

BEA Union Investment Money Market Fund ⁽¹⁾

As at 31 December 2019

	Up to 1 year HK\$	1 – 5 years HK\$	Over 5 years HK\$	Non-interest bearing HK\$	Total HK\$
Assets					
Investments	387,752,036	–	–	–	387,752,036
Cash at banks	11,203,222	–	–	–	11,203,222
Other assets	–	–	–	1,388,593	1,388,593
Total assets	398,955,258	–	–	1,388,595	400,343,851
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	75,152	75,152
Total interest sensitivity gap	398,955,258	–	–		

At year end, should the relevant market interest rates have been increased by a certain percentage with all other variables held constant, the estimated impact on the net assets attributable to unitholders and the change in net assets attributable to unitholders from operation for the period are shown in the table below.

	% possible reasonable shift	Estimated increase/ (decrease) 2019 HK\$	Estimated increase/ (decrease) 2018 HK\$
BEA Union Investment Money Market Fund	+0.25%	(115,892)	–

Due to current market conditions, the Manager does not anticipate that the interest rates will decrease any further and considers the downward impact will be minimal.

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(a) Market risk (continued)

(iii) Other price risk

Other price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market.

The breakdown of investments held by the Sub-funds is shown in the investment report.

Each Sub-fund's market risk is managed through (i) deliberate securities selection and (ii) diversification of the investment portfolio. The Manager monitors all Sub-funds' market positions on a daily basis.

Sensitivity analysis

The Manager projects the possible movement of the underlying benchmark indices ("the potential movement") based on historical experience. If the underlying benchmark indices had changed by the following percentages, which are based on the Manager's best estimate of the potential movement as at the reporting date, with all other variables held constant, it is estimated that the net assets attributable to unitholders and the change in net assets attributable to unitholders from operations would have changed accordingly as shown below.

	Relevant benchmark index	% possible reasonable shift +/-	Estimated impact increase/(decrease) 2019 HK\$	2018 HK\$
BEA Union Investment Asia Strategic Growth Fund	MSCI AC Far East ex Japan ex ADRs (NR)	5%	114,423,499	90,474,956
BEA Union Investment Hong Kong Growth Fund	100% HSI NR	5%	154,751,953	85,414,959
BEA Union Investment Greater China Growth Fund	MSCI AC Golden Dragon Index ex ADRs (NR)	5%	98,614,607	80,971,490
BEA Union Investment Global Equity Fund	MSCI AC WORLD NR	5%	83,859,744	55,223,871

An equal change in the opposite direction would have changed the net assets attributable to unitholders and the change in net assets attributable to unitholders from operations for the year by an equal but opposite amount.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(b) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. All transactions in listed securities are settled on a delivery versus payment basis using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made when the Sub-funds' custodians have received payments.

For purchase, payments are made once securities have been received by the Sub-funds' custodians. The trade will fail if either party fails to meet their obligation.

The Manager monitors the Sub-funds' credit position on a monthly basis. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of assets and liabilities.

Amounts arising from ECL

Impairment on amounts due from brokers, amounts receivable on subscription, dividends and other receivables and cash at banks has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Sub-funds consider that these exposures have low credit risk based on the external credit ratings of the counterparties.

The Sub-funds monitor changes in credit risk on these exposures by tracking published external credit ratings of the counterparties. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in the published ratings, the Sub-funds supplement this by reviewing changes in bond yields, where available, credit default swap ("CDS") prices together with available press and regulatory information about counterparties.

On initial application of HKFRS 9 as at 1 January 2018, the Manager considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. There is no impairment allowance recognised on amounts due from brokers, amounts receivable on subscription, dividends and other receivables and cash and cash equivalents. The amount of the loss allowance did not change during 2018 and 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(b) Credit risk (continued)

At the reporting date, only BEA Union Investment Global Bond Fund, BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund, BEA Union Investment Asia Pacific Investment Grade Bond Fund and BEA Union Investment Money Market Fund held debt securities. As at 31 December 2019 and 2018, the Sub-funds invested in debt investments with the following credit ratings equivalent to which provided by Standard & Poor's credit rating services expressed as a percentage of debt investments:

	31 December 2019 %	31 December 2018 %
BEA Union Investment Global Bond Fund		
Portfolio by rating category of debt securities		
<i>Rating</i>		
AAA	23.76	33.99
AA+	1.93	1.61
AA	21.08	14.84
AA-	3.07	4.24
A+	10.87	20.97
A	6.91	1.88
A-	7.31	1.96
BBB+	11.45	8.88
BBB	4.69	4.37
BBB-	8.72	7.04
NR	0.21	0.22
	100.00	100.00

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(b) Credit risk (continued)

	31 December 2019 %	31 December 2018 %
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund		
<i>Portfolio by rating category of debt securities</i>		
<i>Rating</i>		
AAA	4.53	3.44
AA+	23.64	22.78
AA	6.28	9.57
AA-	1.99	2.30
A+	16.21	24.25
A	19.04	14.51
A-	13.01	15.07
BBB+	11.78	4.89
BBB	0.54	1.07
BBB-	1.52	0.57
NR	1.46	1.55
	<u>100.00</u>	<u>100.00</u>

*Portfolio by rating category of the issue of certificates
of deposit*

<i>Rating</i>		
AA-	–	12.30
A+	35.67	48.89
A	47.09	–
BBB+	17.24	11.30
NR	–	27.51
	<u>100.00</u>	<u>100.00</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(b) Credit risk (continued)

	31 December 2019 %	31 December 2018 %
BEA Union Investment Asia Pacific Investment Grade Bond Fund		
<i>Portfolio by rating category of debt securities</i>		
<i>Rating</i>		
AAA	0.51	–
AA	1.16	0.59
AA-	–	1.72
A+	4.49	20.51
A	11.71	6.22
A-	9.29	10.94
BBB+	27.45	20.96
BBB	29.07	28.83
BBB-	14.20	7.32
NR	2.12	2.91
	<u>100.00</u>	<u>100.00</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(b) Credit risk (continued)

	31 December 2019 %
BEA Union Investment Money Market Fund ⁽¹⁾	
<i>Portfolio by rating category of debt securities</i>	
<i>Rating</i>	
AAA	65.51
A	16.21
BBB+	9.49
BBB	8.79
	<u>100.00</u>

Portfolio by rating category of short term deposits

<i>Rating</i>	
AA-	12.13
A+	10.92
A	26.63
A-	30.97
BBB+	12.13
BBB	7.22
	<u>100.00</u>

The Sub-funds' investments are held by the custodians and the majority of the Sub-funds' cash is deposited with The Bank of East Asia, Limited and Citibank. Bankruptcy or insolvency of the custodians and the Banks may cause to Sub-funds' execution of their rights with respect to the assets held by the custodians and the Banks to be delayed or limited. The Manager monitors the credit quality of the custodians and the Banks on an on-going basis.

Other than the outlined above, there were no significant concentrations of credit risk at 31 December 2019 and 2018.

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

6 Financial risk management (continued)

(c) Liquidity risk

Liquidity risk arises from the risk that the Sub-funds may not be able to convert investments into cash to meet liquidity needs in a timely manner. The Sub-funds' exposure to liquidity risk arises because of the possibility that the Sub-funds could be required to pay their liabilities or redeem their units earlier than expected. The Sub-funds are exposed to daily cash redemption of their redeemable units. Units are redeemable at the holders' option based on the Sub-funds' net asset value per unit at the time of redemption.

The Sub-funds' policy is to regularly monitor current and expected liquidity requirements to ensure that they maintain sufficient reserves of cash and readily realisable marketable securities to meet their liquidity requirements in the short and long-term.

The Sub-funds invest the majority of assets in investments that are traded in an active market, and can be readily disposed of. The Manager monitors the Sub-funds' liquidity position on a daily basis.

As at 31 December 2019 and 2018, all the financial liabilities of the Sub-funds are repayable on demand or due within three months.

(d) Fair value estimation

As at 31 December 2019 and 2018, the carrying values of assets and liabilities are a reasonable approximation of their fair values.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

7 Financial instruments at fair value through profit or loss

(a) Breakdown of investments

The breakdown of the Sub-funds' investments by investment type is illustrated below.

	As at 31 December 2019		As at 31 December 2018	
	HK\$	% of net assets	HK\$	% of net assets
BEA Union Investment Asia Strategic Growth Fund				
Listed/quoted investments				
– Equities	2,119,791,334	97.18	1,714,867,684	94.46
– Real estate investment trust	7,425,000	0.34	38,024,350	2.10
	<u>2,127,216,334</u>	<u>97.52</u>	<u>1,752,892,034</u>	<u>96.56</u>
BEA Union Investment Global Bond Fund				
Listed/quoted investments				
– Bonds	5,564,917,613	97.34	5,224,921,191	96.62
BEA Union Investment Hong Kong Growth Fund				
Listed/quoted investments				
– Equities	2,954,526,910	97.52	1,707,624,573	95.98
– Real estate investment trust	24,750,000	0.82	63,400,350	3.56
	<u>2,979,276,910</u>	<u>98.34</u>	<u>1,771,024,923</u>	<u>99.54</u>
BEA Union Investment Greater China Growth Fund				
Listed/quoted investments				
– Equities	1,909,062,210	97.93	1,536,686,895	94.65
– Real estate investment trust	21,326,250	1.09	16,097,900	0.99
	<u>1,930,388,460</u>	<u>99.02</u>	<u>1,552,784,795</u>	<u>95.64</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

7 Financial instruments at fair value through profit or loss (continued)

(a) Breakdown of investments (continued)

	As at 31 December 2019		As at 31 December 2018	
	HK\$	% of net assets	HK\$	% of net assets
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund				
Listed/quoted investments				
– Bonds	1,310,962,822	87.20	1,220,087,485	81.38
– Certificates of deposit	175,374,330	11.67	268,263,348	17.89
	<u>1,486,337,152</u>	<u>98.87</u>	<u>1,488,350,833</u>	<u>99.27</u>
BEA Union Investment Global Equity Fund				
Listed/quoted investments				
– Equities	1,627,082,386	98.56	1,025,793,319	98.24
– Rights	331,829	0.02	–	–
	<u>1,627,414,215</u>	<u>98.58</u>	<u>1,025,793,319</u>	<u>98.24</u>
BEA Union Investment Asia Pacific Investment Grade Bond Fund				
Listed/quoted investments				
– Bonds	1,055,850,705	99.27	942,294,192	99.11
BEA Union Investment Core Accumulation Fund				
Approved pooled investment funds	1,203,022,944	100.12	730,957,000	100.11
BEA Union Investment Age 65 Plus Fund				
Approved pooled investment funds	527,969,422	100.25	414,674,661	100.23
BEA Union Investment Money Market Fund ⁽¹⁾				
– Bonds	116,490,532	29.10	–	–
– Short-term deposits	271,261,504	67.77	–	–
	<u>387,752,036</u>	<u>96.87</u>	<u>–</u>	<u>–</u>

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

7 Financial instruments at fair value through profit or loss (continued)

(b) Fair value hierarchy

The following table presents the fair value of the Sub-funds' investments measured at the end of the reporting periods on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement.

As at 31 December 2019

Financial assets/(financial liabilities)	BEA Union Investment Asia Strategic Growth Fund HK\$	BEA Union Investment Global Bond Fund HK\$	BEA Union Investment Hong Kong Growth Fund HK\$	BEA Union Investment Greater China Growth Fund HK\$	BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund HK\$	BEA Union Investment Global Equity Fund HK\$	BEA Union Investment Asia Pacific Investment Grade Bond Fund HK\$	BEA Union Investment Core Accumulation Fund HK\$	BEA Union Investment Age 65 Plus Fund HK\$	BEA Union Investment Money Market Fund ⁽¹⁾ HK\$
Level 1	2,127,216,334	–	2,979,276,910	1,930,388,460	–	1,627,414,215	–	1,203,022,944	527,969,422	271,261,504
Level 2	–	5,571,285,434	–	–	1,486,337,152	(264,269)	1,057,505,710	(1,545,098)	(1,378,306)	116,490,532
Level 3	–	–	–	–	–	–	–	–	–	–
	<u>2,127,216,334</u>	<u>5,571,285,434</u>	<u>2,979,276,910</u>	<u>1,930,388,460</u>	<u>1,486,337,152</u>	<u>1,627,149,946</u>	<u>1,057,505,710</u>	<u>1,201,477,846</u>	<u>526,591,116</u>	<u>387,752,036</u>

As at 31 December 2018

Financial assets/(financial liabilities)	BEA Union Investment Asia Strategic Growth Fund HK\$	BEA Union Investment Global Bond Fund HK\$	BEA Union Investment Hong Kong Growth Fund HK\$	BEA Union Investment Greater China Growth Fund HK\$	BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund HK\$	BEA Union Investment Global Equity Fund HK\$	BEA Union Investment Asia Pacific Investment Grade Bond Fund HK\$	BEA Union Investment Core Accumulation Fund HK\$	BEA Union Investment Age 65 Plus Fund HK\$
Level 1	1,752,892,034	–	1,771,024,923	1,552,784,795	–	1,025,793,319	–	730,957,000	414,674,661
Level 2	–	5,221,313,253	–	–	1,488,350,833	(79,782)	941,317,154	(904,009)	(1,027,493)
Level 3	–	–	–	–	–	–	–	–	–
	<u>1,752,892,034</u>	<u>5,221,313,253</u>	<u>1,771,024,923</u>	<u>1,552,784,795</u>	<u>1,488,350,833</u>	<u>1,025,713,537</u>	<u>941,317,154</u>	<u>730,052,991</u>	<u>413,647,168</u>

During the year ended 31 December 2019 and 31 December 2018, there were no transfer between Level 1 and Level 2 or transfer into Level 3.

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

7 Financial instruments at fair value through profit or loss (continued)

(b) Fair value hierarchy (continued)

The Sub-funds measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are not considered active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

When fair values of listed and quoted investments at the reporting date are based on quoted market prices or binding dealer price quotations in an active market, without any deduction for transaction costs, the instruments are included within Level 1 of the hierarchy. When fair values of fixed income instruments at the reporting date represent quoted prices on markets that are considered less than active, those fixed income instruments are included within Level 2 of the hierarchy.

For investment funds that are not listed, transactions may or may not occur on a regular basis and they are valued by the Sub-funds based on the net asset value ("NAV") per unit published by the administrators of those underlying investment funds. Such NAV is adjusted when necessary, to reflect the effect of the time passed since the calculation date, liquidity risk, limitations on redemptions and other factors. Depending on the fair value level of the underlying investment funds' assets and liabilities and whether adjustments are needed, the Sub-funds classify the fair value of those underlying investment funds as either Level 1 or Level 2.

Over-the-counter ("OTC") derivative contracts include forward contracts related to foreign currencies. Depending on the product and the terms of the transaction, the fair value of the OTC derive products can be modelled taking into account the counterparties' creditworthiness and using a series of techniques, including simulation models. Many pricing models do not entail material subjectivity because the methodologies employed do not necessitate significant judgements and the pricing inputs are observed from actively quoted markets. Forward foreign exchange contracts valued by the Sub-funds using pricing models fall into this category and are categorised with Level 2 of the fair value hierarchy.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

8 Derivative financial instruments

Derivative financial instruments represent outstanding forward foreign exchange contracts as at the year end date as follows:

BEA Union Investment Global Bond Fund

As at 31 December 2019

Expiration	Underlying	Notional amount of contracts outstanding HK\$	Fair value HK\$
06 January 2020	Buy Hong Kong dollar/sell United States dollar	200,000,000	1,130,345
08 January 2020	Buy Hong Kong dollar/sell United States dollar	200,000,000	1,098,311
15 January 2020	Buy Hong Kong dollar/sell United States dollar	430,000,000	2,458,998
15 January 2020	Buy United States dollar/sell Hong Kong dollar	21,802,978	(87,688)
15 January 2020	Buy United States dollar/sell Hong Kong dollar	21,782,305	(248,793)
21 January 2020	Buy Hong Kong dollar/sell Australian dollar	32,020,980	(867,870)
29 January 2020	Buy Hong Kong dollar/sell United States dollar	200,000,000	1,032,476
10 February 2020	Buy Hong Kong dollar/sell United States dollar	250,000,000	1,114,851
18 February 2020	Buy Hong Kong dollar/sell United States dollar	230,000,000	1,243,321
28 February 2020	Buy Hong Kong dollar/sell United States dollar	300,000,000	1,358,420
18 March 2020	Buy Hong Kong dollar/sell United States dollar	150,000,000	(17,389)
20 March 2020	Buy Hong Kong dollar/sell United States dollar	150,000,000	(30,107)
23 March 2020	Buy Hong Kong dollar/sell British Pound	127,997,725	(1,409,738)
23 March 2020	Buy Hong Kong dollar/sell Japanese Yen	57,262,774	(407,316)
			<u>6,367,821</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

8 Derivative financial instruments (continued)

BEA Union Investment Global Bond Fund (continued)

As at 31 December 2018

Expiration	Underlying	Notional amount of contracts outstanding HK\$	Fair value HK\$
10 January 2019	Buy Hong Kong dollar/sell Japanese Yen	48,580,748	(1,397,229)
16 January 2019	Buy Hong Kong dollar/sell United States dollar	250,000,000	(21,116)
23 January 2019	Buy Hong Kong dollar/sell United States dollar	250,000,000	127,499
13 February 2019	Buy Hong Kong dollar/sell United States dollar	200,000,000	(235,531)
13 February 2019	Buy Hong Kong dollar/sell British Pound	68,913,600	(949,403)
19 February 2019	Buy Hong Kong dollar/sell United States dollar	190,000,000	(331,437)
26 February 2019	Buy Hong Kong dollar/sell United States dollar	150,000,000	(143,800)
28 February 2019	Buy Hong Kong dollar/sell United States dollar	300,000,000	(363,486)
18 March 2019	Buy Hong Kong dollar/sell United States dollar	200,000,000	(292,908)
27 March 2019	Buy Hong Kong dollar/sell United States dollar	150,000,000	(527)
			<u>(3,607,938)</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

8 Derivative financial instruments (continued)

BEA Union Investment Global Equity Fund

As at 31 December 2019

Expiration	Underlying	Notional amount of contracts outstanding HK\$	Fair value HK\$
31 January 2020	Buy Hong Kong dollar/sell United States dollar	545,349,000	<u>(264,269)</u>

As at 31 December 2018

Expiration	Underlying	Notional amount of contracts outstanding HK\$	Fair value HK\$
31 January 2019	Buy Hong Kong dollar/sell United States dollar	328,437,900	<u>(79,782)</u>

BEA Union Investment Asia Pacific Investment Grade Bond Fund

As at 31 December 2019

Expiration	Underlying	Notional amount of contracts outstanding HK\$	Fair value HK\$
02 March 2020	Buy Hong Kong dollar/sell United States dollar	350,000,000	<u>1,655,005</u>

As at 31 December 2018

Expiration	Underlying	Notional amount of contracts outstanding HK\$	Fair value HK\$
02 January 2019	Buy Hong Kong dollar/sell United States dollar	335,000,000	(958,265)
02 January 2019	Buy United States dollar/sell Hong Kong dollar	42,762,318	(221,062)
04 February 2019	Buy Hong Kong dollar/sell United States dollar	310,000,000	<u>202,289</u>
			<u>(977,038)</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

8 Derivative financial instruments (continued)

BEA Union Investment Core Accumulation Fund

As at 31 December 2019

Expiration	Underlying	Notional amount of contracts outstanding HK\$	Fair value HK\$
31 January 2020	Buy Hong Kong dollar/sell Australian dollar	7,288,301	(157,190)
31 January 2020	Buy Hong Kong dollar/sell British Pound	17,146,418	(189,833)
31 January 2020	Buy Hong Kong dollar/sell Euro	104,301,322	(717,791)
31 January 2020	Buy Hong Kong dollar/sell Japanese Yen	64,163,554	(480,284)
			<u>(1,545,098)</u>

As at 31 December 2018

Expiration	Underlying	Notional amount of contracts outstanding HK\$	Fair value HK\$
31 January 2019	Buy Hong Kong dollar/sell Australian dollar	4,043,283	83,974
31 January 2019	Buy Hong Kong dollar/sell British Pound	10,786,083	(66,958)
31 January 2019	Buy Hong Kong dollar/sell Euro	58,865,568	(135,610)
31 January 2019	Buy Hong Kong dollar/sell Japanese Yen	33,743,793	(785,415)
			<u>(904,009)</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

8 Derivative financial instruments (continued)

BEA Union Investment Age 65 Plus Fund

As at 31 December 2019

Expiration	Underlying	Notional amount of contracts outstanding HK\$	Fair value HK\$
31 January 2020	Buy Hong Kong dollar/sell Australian dollar	6,501,535	(140,222)
31 January 2020	Buy Hong Kong dollar/sell British Pound	15,295,471	(169,341)
31 January 2020	Buy Hong Kong dollar/sell Euro	93,042,046	(640,306)
31 January 2020	Buy Hong Kong dollar/sell Japanese Yen	57,237,135	(428,437)
			<u>(1,378,306)</u>

As at 31 December 2018

Expiration	Underlying	Notional amount of contracts outstanding HK\$	Fair value HK\$
31 January 2019	Buy Hong Kong dollar/sell Australian dollar	4,595,577	95,444
31 January 2019	Buy Hong Kong dollar/sell British Pound	12,259,411	(76,104)
31 January 2019	Buy Hong Kong dollar/sell Euro	66,906,347	(154,134)
31 January 2019	Buy Hong Kong dollar/sell Japanese Yen	38,353,048	(892,699)
			<u>(1,027,493)</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

9 Net gains/(losses) on investments

	BEA Union Investment Asia Strategic Growth Fund		BEA Union Investment Global Bond Fund		BEA Union Investment Hong Kong Growth Fund		BEA Union Investment Greater China Growth Fund		BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund	
	2019 HK\$	2018 HK\$	2019 HK\$	2018 HK\$	2019 HK\$	2018 HK\$	2019 HK\$	2018 HK\$	2019 HK\$	2018 HK\$
Net movement in unrealised gains/(losses) on investments	377,265,134	(504,453,062)	51,043,684	(112,744,496)	224,982,417	(531,079,457)	240,618,406	(340,484,472)	13,406,101	2,289,120
Realised (losses)/gains on investments	(23,495,561)	118,177,657	322,143,240	141,992,548	18,903,930	183,546,380	147,922,393	50,676,334	59,367,735	26,897,459
	<u>353,769,573</u>	<u>(386,275,405)</u>	<u>373,186,924</u>	<u>29,248,052</u>	<u>243,886,347</u>	<u>(347,533,077)</u>	<u>388,540,799</u>	<u>(289,808,138)</u>	<u>72,773,836</u>	<u>29,186,579</u>

	BEA Union Investment Global Equity Fund		BEA Union Investment Asia Pacific Investment Grade Bond Fund		BEA Union Investment Core Accumulation Fund		BEA Union Investment Age 65 Plus Fund		BEA Union Investment Money Market Fund ⁽¹⁾
	2019 HK\$	2018 HK\$	2019 HK\$	2018 HK\$	2019 HK\$	2018 HK\$	2019 HK\$	2018 HK\$	2019 HK\$
Net movement in unrealised gains/(losses) on investments	244,309,776	(150,358,324)	26,768,012	(6,024,224)	137,545,747	(38,679,290)	40,456,019	(6,829,645)	(378,971)
Realised (losses)/gains on investments	10,363,435	52,312,471	90,300,326	18,586,227	6,515,020	2,422,761	4,220,243	779,377	11,007,626
	<u>254,673,211</u>	<u>(98,045,853)</u>	<u>117,068,338</u>	<u>12,562,003</u>	<u>144,060,767</u>	<u>(36,256,529)</u>	<u>44,676,262</u>	<u>(6,050,268)</u>	<u>10,628,655</u>

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

10 Transactions with the Manager, the Trustee and Connected Persons

The following is a summary of significant related party transactions or transactions entered into during the year between the Sub-funds and the Manager, the Trustee and their Connected Persons. Connected Persons are those as defined in the Code on Unit Trusts and Mutual Funds issued by the SFC. All transactions during the year between the Sub-funds and the Manager and its Connected Persons were entered into in the ordinary course of business and under normal commercial terms. No investment management fee, trustee fee and registrar's fee will be levied on Class I units of BEA Union Investment Core Accumulation Fund and BEA Union Investment Age 65 Plus Fund. To the best of the knowledge of the Manager and the Trustee, the Sub-funds did not have any other transactions with Connected Persons except for those disclosed below.

(a) Investment management fees

The Manager is entitled to receive a management fee in respect of each class of units calculated as a percentage of the net asset value of that part of the relevant sub-fund relating to the relevant class of units as follows:

	Class A % p.a.	Class D % p.a.	Class I % p.a.	Class R % p.a.
BEA Union Investment Asia Strategic Growth Fund	Nil	1.75	0.40	1.50
BEA Union Investment Global Bond Fund	Nil	1.10	Nil	0.85
BEA Union Investment Hong Kong Growth Fund	Nil	1.75	0.40	1.50
BEA Union Investment Greater China Growth Fund	Nil	1.75	0.40	1.50
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund	Nil	1.00	0.30	0.75
BEA Union Investment Global Equity Fund	Nil	1.75	Nil	1.50
BEA Union Investment Asia Pacific Investment Grade Bond Fund	Nil	1.25	0.30	1.00
BEA Union Investment Money Market Fund ⁽¹⁾	Nil	N/A	0.25	N/A

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

10 Transactions with the Manager, the Trustee and Connected Persons (continued)

(a) Investment management fees (continued)

Same rates have been applied for 2019 and 2018. The fee is calculated and accrued on each dealing day and is paid monthly in arrears.

The investment management fees charged for the year/period for each sub-fund are disclosed in the statement of comprehensive income. As at 31 December, the investment management fees payable for each sub-fund is as below:

	2019 HK\$	2018 HK\$
BEA Union Investment Asia Strategic Growth Fund	<u>93,871</u>	<u>86,933</u>
BEA Union Investment Global Bond Fund	<u>272,597</u>	<u>36,382</u>
BEA Union Investment Hong Kong Growth Fund	<u>234,870</u>	<u>199,064</u>
BEA Union Investment Greater China Growth Fund	<u>231,165</u>	<u>209,096</u>
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund	<u>920,687</u>	<u>912,218</u>
BEA Union Investment Global Equity Fund	<u>232,407</u>	<u>12,683</u>
BEA Union Investment Asia Pacific Investment Grade Bond Fund	<u>264,821</u>	<u>261,213</u>
BEA Union Investment Money Market Fund ⁽¹⁾	<u>1,078</u>	<u>–</u>

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

10 Transactions with the Manager, the Trustee and Connected Persons (continued)

(b) Trustee's fees

The Trustee is entitled to receive a trustee fee in respect of each class of units calculated as a percentage of the net asset value of that part of the relevant sub-fund relating to the relevant class of units as follows:

	Class A % p.a.	Class D % p.a.	Class I % p.a.	Class R % p.a.
BEA Union Investment Asia Strategic Growth Fund	Nil	0.125	0.125	0.125
BEA Union Investment Global Bond Fund	Nil	0.085	Nil	0.085
BEA Union Investment Hong Kong Growth Fund	Nil	0.125	0.125	0.125
BEA Union Investment Greater China Growth Fund	Nil	0.150	0.150	0.150
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund	Nil	0.075	0.075	0.075
BEA Union Investment Global Equity Fund	Nil	0.150	Nil	0.150
BEA Union Investment Asia Pacific Investment Grade Bond Fund	Nil	0.100	0.100	0.100
BEA Union Investment Money Market Fund ⁽¹⁾	Nil	N/A	0.050	N/A

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

Same rates have been applied for 2019 and 2018. The fee is calculated and accrued on each dealing day and is paid monthly in arrears.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

10 Transactions with the Manager, the Trustee and Connected Persons (continued)

(b) Trustee's fees (continued)

The trustee's fees charged for the year/period for each sub-fund are disclosed in the statement of comprehensive income. As at 31 December, trustee's fees payable for each sub-fund is as below:

	2019 HK\$	2018 HK\$
BEA Union Investment Asia Strategic Growth Fund	<u>7,823</u>	<u>7,244</u>
BEA Union Investment Global Bond Fund	<u>27,260</u>	<u>3,638</u>
BEA Union Investment Hong Kong Growth Fund	<u>19,572</u>	<u>16,589</u>
BEA Union Investment Greater China Growth Fund	<u>23,116</u>	<u>20,910</u>
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund	<u>85,584</u>	<u>84,940</u>
BEA Union Investment Global Equity Fund	<u>23,241</u>	<u>1,268</u>
BEA Union Investment Asia Pacific Investment Grade Bond Fund	<u>26,482</u>	<u>26,121</u>
BEA Union Investment Money Market Fund ⁽¹⁾	<u>216</u>	<u>-</u>

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

(c) Registrar's fees

During 2019 and 2018, the Trustee has delegated the registrar function of the Sub-funds to the Manager and agreed the Manager to receive the full registrar fee from the Sub-funds directly. The registrar fee is calculated as a percentage of the net asset value of the Sub-funds at the following rates (except Class I units of BEA Union Investment Global Bond Fund and BEA Union Investment Global Equity Fund). No registrar's fee will be levied on Class I units of BEA Union Investment Global Bond Fund and BEA Union Investment Global Equity Fund:

For the first HK\$390 million of NAV	0.050%
For the next HK\$78 million of NAV	0.045%
For the next HK\$78 million of NAV	0.040%
For the next HK\$78 million of NAV	0.035%
For the next HK\$78 million of NAV	0.030%
For the next HK\$78 million of NAV	0.025%
For the remaining balance of NAV	0.015%

Same rates have been applied for 2019 and 2018. The fee is calculated and accrued on each dealing day and is paid monthly in arrears.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

10 Transactions with the Manager, the Trustee and Connected Persons (continued)

(c) Registrar's fees (continued)

The registrar's fees charged for the year/period for each sub-fund are disclosed in the statement of comprehensive income. As at 31 December, registrar's fees payable for each sub-fund is as below:

	2019 HK\$	2018 HK\$
BEA Union Investment Asia Strategic Growth Fund	<u>45,202</u>	<u>41,539</u>
BEA Union Investment Global Bond Fund	<u>79,541</u>	<u>78,514</u>
BEA Union Investment Hong Kong Growth Fund	<u>55,701</u>	<u>41,269</u>
BEA Union Investment Greater China Growth Fund	<u>42,326</u>	<u>39,120</u>
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund	<u>37,473</u>	<u>37,174</u>
BEA Union Investment Global Equity Fund	<u>27,993</u>	<u>20,887</u>
BEA Union Investment Asia Pacific Investment Grade Bond Fund	<u>31,750</u>	<u>30,613</u>
BEA Union Investment Money Market Fund ⁽¹⁾	<u>16,949</u>	<u>-</u>

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

10 Transactions with the Manager, the Trustee and Connected Persons (continued)

(d) Bank balances

Bank accounts are maintained with The Bank of East Asia, Limited which is the ultimate holding company of the Manager and the Trustee. The balances of these accounts are set out below:

	2019 HK\$	2018 HK\$
As at 31 December		
BEA Union Investment Asia Strategic Growth Fund	<u>58,174</u>	<u>55,538</u>
BEA Union Investment Global Bond Fund	<u>159,123</u>	<u>10,153,533</u>
BEA Union Investment Hong Kong Growth Fund	<u>697,667</u>	<u>695,610</u>
BEA Union Investment Greater China Growth Fund	<u>43,340</u>	<u>21,500</u>
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund	<u>29,137</u>	<u>29,108</u>
BEA Union Investment Global Equity Fund	<u>13,721</u>	<u>13,708</u>
BEA Union Investment Asia Pacific Investment Grade Bond Fund	<u>10,301</u>	<u>9,519</u>
BEA Union Investment Core Accumulation Fund	<u>–</u>	<u>–</u>
BEA Union Investment Age 65 Plus Fund	<u>–</u>	<u>–</u>
BEA Union Investment Money Market Fund ⁽¹⁾	<u>–</u>	<u>–</u>

⁽¹⁾ The launch date for BEA Union Investment Money Market Fund was 9 January 2019.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

10 Transactions with the Manager, the Trustee and Connected Persons (continued)

(e) Investments

During the year ending 2019, BEA Union Investment Core Accumulation Fund had invested in BEA Union Investment Global Equity Fund and BEA Union Investment Global Bond Fund while BEA Union Investment Age 65 Plus Fund had invested in BEA Union Investment Global Equity Fund and BEA Union Investment Global Bond Fund. These investment funds were managed by the Manager and entrusted by the Trustee. Details of the transactions are shown below:

2019

Name of related unitholders	BEA Union Investment Core Accumulation Fund	BEA Union Investment Core Accumulation Fund	BEA Union Investment Age 65 Plus Fund	BEA Union Investment Age 65 Plus Fund
Name of investee funds	BEA Union Investment Global Equity Fund	BEA Union Investment Global Bond Fund	BEA Union Investment Global Equity Fund	BEA Union Investment Global Bond Fund
Number of units held as at year end	<u>5,489,561</u>	<u>4,208,259</u>	<u>811,155</u>	<u>3,729,526</u>
Market value of units held as at year end	<u>HK\$ 728,794,208</u>	<u>HK\$ 474,228,736</u>	<u>HK\$ 107,689,033</u>	<u>HK\$ 420,280,389</u>
Total sales during the year	<u>HK\$ 56,242,176</u>	<u>HK\$ 26,395,992</u>	<u>HK\$ 22,798,860</u>	<u>HK\$ 38,881,336</u>
Total purchase during the year	<u>HK\$ 229,896,465</u>	<u>HK\$ 180,746,880</u>	<u>HK\$ 28,778,099</u>	<u>HK\$ 101,520,596</u>

2018

Name of related unitholders	BEA Union Investment Core Accumulation Fund	BEA Union Investment Core Accumulation Fund	BEA Union Investment Age 65 Plus Fund	BEA Union Investment Age 65 Plus Fund
Name of investee funds	BEA Union Investment Global Equity Fund	BEA Union Investment Global Bond Fund	BEA Union Investment Global Equity Fund	BEA Union Investment Global Bond Fund
Number of units held as at year end	<u>4,048,645</u>	<u>2,808,236</u>	<u>757,596</u>	<u>3,156,825</u>
Market value of units held as at year end	<u>HK\$434,379,151</u>	<u>HK\$296,577,849</u>	<u>HK\$81,282,425</u>	<u>HK\$333,392,236</u>
Total sales during the year	<u>HK\$22,253,678</u>	<u>HK\$15,490,251</u>	<u>HK\$8,202,046</u>	<u>HK\$29,839,762</u>
Total purchase during the year	<u>HK\$185,023,682</u>	<u>HK\$125,621,360</u>	<u>HK\$26,498,022</u>	<u>HK\$93,708,055</u>

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

10 Transactions with the Manager, the Trustee and Connected Persons (continued)

(e) Investments (continued)

As at period end, BEA Union Investment Money Market Fund held short-term deposits with The Bank of East Asia, Limited, the ultimate controlling party of the Trustee, as follows:

	2019	
	Nominal value HK\$	Fair value HK\$
Bank of East Asia, Limited F/D 2.35% 23 January 2020	22,521,337	22,521,337
Bank of East Asia, Limited F/D 2.47% 09 January 2020	10,000,000	10,000,000
	<u>32,521,337</u>	<u>32,521,337</u>

11 Transactions with associates

All the transactions with associates as defined in the Hong Kong Mandatory Provident Fund Schemes Ordinance and the "Guidelines on Annual Statements of Approved Pooled Investment Funds" Annex A section I(E)(2) issued by the MPFA have been included in transaction with the Manager, the Trustee and Connected Persons as set out in note 10.

12 Bank loans, overdrafts and other borrowings

The Sub-funds had no bank loans, overdrafts or other borrowings as at 31 December 2019 and 31 December 2018.

13 Taxation

No provision for Hong Kong profits tax has been made as dividend income, interest on bank deposits and realised gains and disposal of investments of the Sub-funds are excluded from the charge to profits tax under sections 14, 26 or 26A of the Hong Kong Inland Revenue Ordinance.

Non-recoverable overseas withholding tax was charged on certain dividend and interest income received during the year.

Non-recoverable capital gain tax was charged on certain capital appreciation of investments during the year.

14 Soft commission arrangements

During the years ended 31 December 2019 and 2018, the Manager and its delegates did not enter into any soft commission arrangements with brokers relating to dealings in the assets of the Sub-funds.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

15 Security lending arrangements

During the years ended 31 December 2019 and 2018, the Sub-funds did not enter into any security lending arrangements.

16 Negotiability of assets

As at 31 December 2019, there were no statutory or contractual requirements restricting the negotiability of the assets of the Sub-funds (2018: HK\$Nil).

17 Commitments

As at 31 December 2019, the Sub-funds had no commitments (2018: HK\$Nil).

18 Contingent liabilities and capital commitment

As at 31 December 2019, there were no contingent liabilities or capital commitments outstanding (2018: HK\$Nil).

19 Involvement with unconsolidated structured entities

The Sub-funds have concluded that listed real estate investment trusts, listed and unlisted open-ended investment funds and exchange-traded open-ended index-tracking funds in which they invest but are not consolidated by the Sub-funds meet the definition of structured entities because:

- the voting rights in the investment funds are not dominant rights in deciding who controls them as they relate to administrative tasks only;
- each investment fund's activities are restricted by its prospectus; and
- the investment funds have narrow and well-defined objectives to provide investment opportunities to investors.

The table below describes the types of structured entities that the Sub-funds do not consolidate but in which they hold an interest.

Type of structured entity	Nature and purpose	Interest held by the Sub-funds
Investment funds	To manage assets on behalf of third party investors and generate fees for the investment manager.	Investments in units issued by the Sub-funds
	These vehicles are financed through the issues of units to investors.	

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

19 Involvement with unconsolidated structured entities (continued)

The table below sets out interests held by the Sub-funds in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held.

As at 31 December 2019

	Number of investee funds	Total net assets of the structured entities HK\$ (in million)	Carrying amount included in "investments" HK\$ (in million)
BEA Union Investment Asia Strategic Growth Fund			
Investment in listed real estate investment trust – Long position	1	172,105	7
BEA Union Investment Hong Kong Growth Fund			
Investment in listed real estate investment trust – Long position	1	172,105	25
BEA Union Investment Greater China Growth Fund			
Investment in listed real estate investment trust – Long position	1	172,105	21
BEA Union Investment Core Accumulation Fund			
Investment in unlisted open-ended investment funds – Long position	2	7,368	1,203
BEA Union Investment Age 65 Plus Fund			
Investment in unlisted open-ended investment funds – Long position	2	7,368	528

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

19 Involvement with unconsolidated structured entities (continued)

As at 31 December 2018

	Number of investee funds	Total net assets of the structured entities HK\$ (in million)	Carrying amount included in "investments" HK\$ (in million)
BEA Union Investment Asia Strategic Growth Fund			
Investment in listed real estate investment trust – Long position	1	167,481	38
BEA Union Investment Hong Kong Growth Fund			
Investment in listed real estate investment trust – Long position	1	167,481	63
BEA Union Investment Greater China Growth Fund			
Investment in listed real estate investment trust – Long position	1	167,481	16
BEA Union Investment Core Accumulation Fund			
Investment in unlisted open-ended investment funds – Long position	2	6,452	731
BEA Union Investment Age 65 Plus Fund			
Investment in unlisted open-ended investment funds – Long position	2	6,452	415

During the year, the Sub-funds did not provide financial support to unconsolidated structured entities and have no intention of providing financial or other support.

BEA UNION INVESTMENT CAPITAL GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN HONG KONG DOLLARS UNLESS OTHERWISE INDICATED) (CONTINUED)

20 Segment information

The Manager makes the strategic resource allocation on behalf of the Sub-funds and determines the operating segments based on the internal reporting used to make strategic decisions. The Manager's asset allocation decisions for each Sub-fund are based on one single, integrated investment strategy, and the Sub-funds' performance is evaluated on an overall basis. Accordingly the Manager considers that each Sub-fund has one single operating segment which is investing in a portfolio of financial instruments to generate investment returns in accordance with the investment objective stipulated in the Explanatory Memorandum. The investment objectives and the investment portfolios of each Sub-fund are presented in the investment report.

There were no changes in the operating segment during the year.

The internal reporting provided to the Manager is the same as that disclosed in the statement of comprehensive income and the statement of assets and liabilities.

21 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year/period ended 31 December 2019

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments, new standards and interpretations which are not yet effective for the year/period ended 31 December 2019 and which have not been adopted in these financial statements.

Of these developments, the following may be relevant to the Sub-funds' operations and financial statements:

	Effective for accounting periods beginning on or after
Amendments to HKFRS 3, <i>Definition of a business</i>	1 January 2020
Amendments to HKAS 1 and HKAS 8, <i>Definition of material</i>	1 January 2020

The Sub-funds are in the process of making an assessment of what the impact of these amendments and interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Sub-funds' results of operations and financial position.

22 Subsequent event

There were no significant events subsequent to the year/period end which require disclosure in the financial statement.

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