

Important note:

1. BEA Union Investment China Phoenix Fund (the "Fund") seeks long-term capital appreciation through investing in listed securities of companies that are expected to benefit from or have exposure to the economic growth of Mainland China.
2. The Fund's investments are concentrated in China. This may result in greater volatility than portfolios which comprise broad-based global investments.
3. The Fund invests in China shares (including China A-, B- and H-Shares), Renminbi denominated corporate and government bonds, securities investment fund and warrants listed on the China stock exchanges and may be subject to withholding and other taxes imposed in China. Direct exposure to China A-Shares can be achieved via the Stock Connects, which is subject to different risks, including quota limitations, clearing and settlement risk. Investing in China involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
4. In terms of currency hedged class units, adverse exchange rate fluctuations between the base currency of the Fund and the class currency of the currency hedged class units may result in a decrease in return and/or loss of capital for unitholders. Over-hedged or under-hedged positions may arise and there can be no assurance that these currency hedged class units will be hedged at all times or that the manager will be successful in employing the hedge.
5. Investors may invest in RMB (Hedged) units. It should be noted that the RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies of the Chinese government. There is also no assurance that the RMB will not be subject to devaluation. Any devaluation of the RMB could adversely affect the value of investors' investments. There is no guarantee that the hedging strategy will be effective and investors may still be subject to the RMB currency exchange risk.
6. The Fund may enter into futures contracts for hedging and investment purposes. Given the leverage effect embedded in futures contracts, the Fund may be exposed to significant losses.
7. Investors should not make an investment decision based solely on this material.

BEA Union Investment China Phoenix Fund

Profits Locked in Following Encouraging Internet Sector Earnings



Highlights:

1. Third-quarter results are encouraging, particularly in the internet sector
2. Corporate earnings look positive in light of declining capital expenditure
3. The Fund is up 42.7%¹ YTD and 36.2%¹ in 1 year

Fund Features

- The Fund seeks long-term capital appreciation through investing in listed securities of companies that are expected to benefit from or have exposure to the economic growth of Mainland China.
- The Fund may invest in multinational corporations which benefit from China's economic growth, including overseas-listed Chinese corporations.

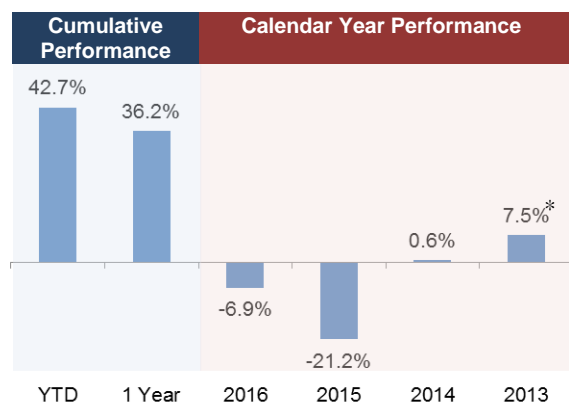
Market Review and Outlook

- Third-quarter corporate earnings were strong across most sectors, particularly the internet sector.
- Data released in November showed that industrial activity in Mainland China further decelerated due to the impact of environmental restrictions on the construction and manufacturing sectors. We expect economic data to weaken in the short term, but corporate earnings are likely to remain positive due to declining capital expenditure.
- Authorities in Mainland China continue to implement deleveraging measures in the financial sector. The most recent efforts are focused on the asset management industry and micro-lenders.

Investment Strategy

- The Fund reduced its exposure in the IT sector and ADRs, especially stocks trading at high valuations, in order to lock in profit.
- The Fund added certain investments in the real estate sector, particularly in high-quality companies that have been oversold following the central government's announcement of tightening measures on the property market.
- Stricter environmental controls in the Mainland are likely to weigh on industrial production, leading the Fund to further reduce its exposure in the industrial sector.

Fund Performance

Performance¹ : A USD

* Since launch till 31 December of the same year. A USD launched on 30 April 2013.

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If you would like to stay informed of the market development and our latest investment strategy, please feel free to register as a member of BEA Union Investment through the link below:

<http://www.bea-union-investment.com/member-registration>

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Fund Code

	ISIN	Bloomberg
Class A USD	HK0000141801	BEACPAU HK
Class A HKD	HK0000141819	BEACPAH HK
Class A RMB (Hedged)	HK0000226156	BEACPAC HK

Source of the fund data: BEA Union Investment Management Limited, as at 30 November 2017.

1. Source: Lipper, as at 30 November 2017. The quoted return is for Class A USD launched on 30 April 2013. Performance is calculated in the respective class of denominated currencies on a NAV to NAV basis. Gross income is re-invested.

Investments in the Fund are subject to investment risks, including the possible loss of the principal amount invested. For full details and risk factors of the Fund, please refer to the explanatory memorandum of the Fund. Investors should also read the explanatory memorandum of the Fund for detailed information prior to any subscription. The information contained herein is only a brief introduction to the Fund. Investors should be aware that the price of units may go down as well as up as the investments of the Fund are subject to market fluctuations and to the risks inherent in all investments. Past performance is not indicative of future performance. The information contained in this document is based upon information which BEA Union Investment Management Limited considers reliable and is provided on an "as is" basis. This document does not constitute an offer, recommendation or solicitation to buy or sell any securities or financial instruments. The Fund has been authorised by the Securities and Futures Commission ("SFC") in Hong Kong. SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. This material and the website have not been reviewed by the SFC in Hong Kong.

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