

Annual Report (Audited)

For the year ended 31 December 2016

BEA Union Investment Series

BEA Union Investment Japan Growth Fund*

BEA Union Investment Global Themes Fund

BEA Union Investment Global Resources Fund*

BEA Union Investment Asian Bond and Currency Fund

BEA Union Investment Four Seasons Fund*

BEA Union Investment China A-Share Equity Fund

BEA Union Investment Asia Pacific Multi Income Fund

BEA Union Investment China Phoenix Fund

BEA Union Investment RMB Core Bond Fund

BEA Union Investment Asia Pacific Flexi Allocation Fund

BEA Union Investment Global Flexi Allocation Fund

BEA Union Investment China High Yield Income Fund

(*Not authorised in Hong Kong and not available for Hong Kong retail investors)

BEA UNION INVESTMENT SERIES FUND

YEAR ENDED 31 DECEMBER 2016

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MANAGEMENT AND ADMINISTRATION

Trustee and Registrar

Bank of East Asia (Trustees) Limited

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BEA UNION INVESTMENT SERIES

MARKET COMMENTARY

BEA Union Investment Japan Growth Fund

Inflation and consumer sentiment continue to be weak, testing the credibility of Japanese Prime Minister Abe's economic reform programme. However, the yen weakened further following the U.S. rate hike, which should help exporters and re-inflationary policies going forward.

BEA Union Investment Global Themes Fund

The U.S. presidential election saw the surprise victory of Republican candidate Donald Trump as the country's 45th president. His pro-growth policy agenda should be positive for equities and create the right conditions for a rotation into cyclical industries such as financials and materials.

In Europe, the Italian government lost in its referendum on constitutional reform, leading Prime Minister Renzi to resign and a new government to be appointed. The growing wave of populism is creating risks for Eurozone equities and will next come to the fore during the French presidential election in April.

The U.S. Federal Reserve raised its benchmark rate by 25 basis points and signalled that there are likely to be two to three further hikes in 2017. This is likely to result in a further strengthening of the U.S. dollar and continued pressure on Asian equities.

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BEA Union Investment Global Resources Fund

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BEA UNION INVESTMENT SERIES

MARKET COMMENTARY (CONTINUED)

BEA Union Investment Asian Bond and Currency Fund

U.S. Treasury yields rose further in December due to the Federal Reserve's expected rate hike and more hawkish interest rate outlook, triggering some corrections in the Asian bond markets. Overall, the Asian high yield market was relatively resilient. During the month, high yield property credits outperformed other sectors due to a better credit profile.

Despite some near-term corrections in the high yield sector, we are still positive on this asset class in the longer term given the continuous capital inflows into Asian markets in search of higher yields, the accommodative policy stance adopted by Asian governments, and the gradual recovery of global commodity prices.

Asian local currency bonds recorded smaller negative returns in December. Indonesia has outperformed other local bond markets due to its stronger local currency and declining local bond yields. In contrast, HKD bonds have underperformed because of the strong surge of the HKD bond yield in December after its lag behind U.S. Treasury yields in the previous few months.

BEA Union Investment Four Seasons Fund

The U.S. Federal Reserve raised its benchmark rate by 25 basis points and signalled that there are likely to be two to three further hikes in 2017. This is likely to result in a further strengthening of the U.S. dollar and continued pressure on Asian equities.

BEA Union Investment China A-Share Equity Fund

The People's Bank of China continued to incrementally tighten liquidity. Higher rates reflect higher inflation prospects and should be positive for the financial sector, even as they will likely add another headwind for the real estate market and consumer sentiment.

BEA Union Investment Asia Pacific Multi Income Fund

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BEA UNION INVESTMENT SERIES

MARKET COMMENTARY (CONTINUED)

BEA Union Investment China Phoenix Fund

The People's Bank of China continued to incrementally tighten liquidity. Higher rates reflect higher inflation prospects and should be positive for the financial sector, even as they will likely add another headwind for the real estate market and consumer sentiment.

The Shenzhen-Hong Kong Stock Connect was launched, although volumes have so far been light. The central government's current focus on stemming capital outflows is likely to rule out much support for 'southbound' trading in the direction of the Hong Kong market.

In Taiwan, President Tsai announced that her government will release a comprehensive infrastructure blueprint in March as a guide for fiscal stimulus. While exports will continue to be the country's overall economic driver, this support will be a boost for domestic sectors such as materials.

BEA Union Investment RMB Core Bond Fund

U.S. Treasury yields rose further in December due to the Federal Reserve's expected rate hike and its more hawkish outlook on U.S. interest rates going forward. These developments have triggered some corrections in the Asian bond market. However, the performance of the Chinese high yield market was fairly resilient due to strong technical support from Chinese government. During the month, Chinese high yield properties remained largely stable, while high yield corporates underperformed other sectors due to the negative credit headlines of individual names.

The CNH depreciated to an 8-year low against the USD after the U.S. election and the rate hike by the U.S. Federal Reserve.

BEA Union Investment Asia Pacific Flexi Allocation Fund

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Non-OPEC oil-producing countries agreed to cut production by just under 600k barrels per day. Together with OPEC's pledges, this will reduce global supply by ~2%. While positive for oil prices, this is likely to push up inflation in 2017, making it harder for Asian central banks to support growth with loose monetary policy.

U.S. Treasury yields rose further in December due to the Federal Reserve's expected rate hike and more hawkish interest rate outlook, triggering some corrections in the Asian bond markets. Overall, the Asian high yield market was relatively resilient. During the month, high yield property credits outperformed other sectors due to a better credit profile.

BEA UNION INVESTMENT SERIES

MARKET COMMENTARY (CONTINUED)

BEA Union Investment Global Flexi Allocation Fund

The U.S. presidential election saw the surprise victory of Republican candidate Donald Trump as the country's 45th president. His pro-growth policy agenda should be positive for equities and create the right conditions for a rotation into cyclical industries such as financials and materials.

In Europe, the Italian government lost in its referendum on constitutional reform, leading Prime Minister Renzi to resign and a new government to be appointed. The growing wave of populism is creating risks for Eurozone equities and will next come to the fore during the French presidential election in April.

The U.S. Federal Reserve raised its benchmark rate by 25 basis points and signalled that there are likely to be two to three further hikes in 2017. This is likely to result in a further strengthening of the U.S. dollar and continued pressure on Asian equities.

Government bond yields continued to rise globally in December, led by rising U.S. Treasury yields, as investors expect higher inflation rates for the U.S. and a more hawkish stance by the Federal Reserve in the near term.

Fueled by the Federal Reserve's rate hike in December and generally more hawkish stance, the USD continued to strengthen against the major developed and emerging market currencies. The Japanese yen was the worst performer, though overall Asian currencies were relatively resilient.

BEA Union Investment China High Yield Income Fund

U.S. Treasury yields rose further in December due to the Federal Reserve's expected rate hike and its more hawkish outlook on U.S. interest rates going forward. These developments have triggered some corrections in the Asian bond market. However, the performance of the Chinese high yield market was fairly resilient due to strong technical support from Chinese government. During the month, Chinese high yield properties remained largely stable, while high yield corporates underperformed other sectors due to the negative credit headlines of individual names.

Looking forward, we expect some near-term pressure on the Chinese high-yield market, with increasing new supply and weaker sentiment overall in the Asian bond market. Nevertheless, we are still positive on the sector in the longer term, given the continuous capital inflows into Asian markets in search of higher yields, as well as signs of economic recovery in China and the accommodative stance adopted by Chinese policy makers.

BEA UNION INVESTMENT SERIES

**TRUSTEE'S REPORT TO THE UNITHOLDERS OF
BEA UNION INVESTMENT SERIES ("THE FUND")**

We hereby confirm that, in our opinion, the Manager of the Fund and its Sub-funds has in all material respects managed the Fund and its Sub-funds in accordance with the provisions of the Trust Deed, as amended, during the year/period ended 31 December 2016.

Bank of East Asia (Trustees) Limited
東亞銀行(信託)有限公司

13 April 2017

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BEA UNION INVESTMENT SERIES

INVESTMENT REPORT AS AT 31 DECEMBER 2016

BEA Union Investment Japan Growth Fund

Investment portfolio

	Holding units	Cost US\$	Market value US\$	% of net assets
Investment fund				
Established under the laws of Hong Kong				
Fidelity Global Investment Fund – Japanese Equity Fund – Class A	<u>37,225,6710</u>	<u>295,601</u>	<u>379,212</u>	<u>100.89</u>

Investment portfolio of the underlying fund

(Expressed in Hong Kong dollars)

Particulars of listed investments	Holding shares/ units	Market value	% of net assets
Air Water Inc	168,400	HK\$ 23,619,671	0.37
Amano Corp	1,008,800	137,671,269	2.13
Asahi Kasei Corp	429,000	29,073,266	0.45
Asics Corp	830,800	128,953,361	2.00
Bridgestone Corp	213,500	59,805,580	0.93
CyberAgent Inc	241,700	46,400,551	0.72
Dai-ichi Life Holdings Inc	406,000	52,519,207	0.81
Daikin Industries Ltd	62,600	44,671,000	0.69
Disco Corp	57,800	54,405,197	0.84
Electric Power Development Co Ltd	217,500	38,892,050	0.60
Ezaki Glico Co Ltd	146,200	53,257,064	0.82
Fuji Heavy Industries Ltd	383,200	121,555,672	1.88
Honda Motor Co Ltd	202,400	45,946,296	0.71
JGC Corp	626,400	88,441,389	1.37
Kobayashi Pharmaceutical Co Ltd	257,200	85,485,068	1.32
Mitsubishi Chemical Holdings Corp	2,969,200	149,609,080	2.31
Mitsubishi Materials Corp	286,100	68,274,983	1.06
Mitsubishi UFJ Financial Group	7,626,100	365,094,177	5.65
Mitsui & Co Ltd	1,475,300	157,596,117	2.44
Mitsui Fudosan Co Ltd	737,000	132,520,801	2.05
Mitsui Mining and Smelting Co Ltd	1,117,000	21,978,304	0.34
Mizuho Financial Group Inc	12,255,900	170,922,795	2.64
Morinaga & Co Ltd	49,800	16,138,132	0.25
Murata Manufacturing Co Ltd	202,700	210,871,256	3.26
NGK Spark Plug Co Ltd	740,000	127,796,853	1.98
Nidec Corp	255,000	170,948,532	2.64
Nippon Soda Co Ltd	310,000	11,313,144	0.18
Nippon Steel & Sumitomo Metal Corp	214,300	37,137,486	0.57
Nissin Electric Co Ltd	74,000	6,345,571	0.10
Nitori Holdings Co Ltd	57,700	51,242,648	0.79
Nitto Denko Corp	184,000	109,701,140	1.70
Okamoto Industries Inc	137,000	9,817,222	0.15
Orix Corp	1,383,300	167,722,182	2.60

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Japan Growth Fund (continued)

Investment portfolio of the underlying fund (continued)

(Expressed in Hong Kong dollars)

Particulars of listed investments	Holding shares/ units	Market value	% of net assets
Otsuka Holdings Co Ltd	136,500	HK\$ 46,212,091	0.71
Panasonic Corp	1,363,200	107,788,721	1.67
Penta-Ocean Construction Co Ltd	297,600	11,177,139	0.17
Piolax Inc	21,300	11,001,450	0.17
Rakuten Inc	2,327,300	177,213,481	2.74
Recruit Holdings Co Ltd	844,400	263,251,201	4.07
Rohm Co Ltd	164,000	73,368,258	1.14
Ryohin Keikaku Co Ltd	11,800	17,970,344	0.28
Sakata Seed Corp	607,600	133,486,862	2.07
Sanwa Holdings Corp	892,200	66,128,151	1.02
Scroll Corp	341,000	7,797,621	0.12
Seven & i Holdings Co Ltd	295,800	87,558,872	1.35
Shin-Etsu Chemical Co Ltd	313,000	188,650,190	2.92
Shionogi & Co Ltd	346,000	128,776,275	1.99
SMC Corp	69,000	127,991,289	1.98
Softbank Corp	306,100	157,998,907	2.44
Sony Corp	446,700	97,247,076	1.50
Starts Corp Inc	34,600	4,549,374	0.07
Sumitomo Electric Industries Ltd	1,401,500	157,119,013	2.43
Sumitomo Mitsui Financial Group Inc	334,400	99,140,344	1.53
Sumitomo Realty & Development Co Ltd	344,000	71,024,664	1.10
Suzuki Motor Corp	240,000	65,633,388	1.02
Teijin Ltd	636,500	100,233,469	1.55
Toho Co Ltd	772,900	169,802,494	2.63
Tokio Marine Holdings Inc	340,800	108,649,581	1.68
Tokyo Electron Ltd	69,700	51,173,815	0.79
Tokyo Tatemono Co Ltd	415,900	43,211,286	0.67
Toppan Forms Co Ltd	444,500	36,018,429	0.56
Toray Industries Inc	1,605,000	100,950,221	1.56
TORIDOLL Holdings Corp	34,700	5,819,639	0.09
Toto Ltd	359,400	110,494,104	1.71
Toyota Motor Corp	533,800	244,056,307	3.78
Yamaha Motor Co Ltd	422,300	72,256,832	1.12
Yokogawa Electric Corp	738,900	83,155,680	1.29
Yomiuri Land Co Ltd	542,000	17,437,890	0.27
Yonex Co Ltd	272,200	98,251,060	1.52
Zojirushi Corp	326,000	34,000,855	0.53
Total investments		<u>HK\$ 6,372,323,437</u>	<u>98.59</u>
Other net assets		<u>91,009,184</u>	<u>1.41</u>
Total net assets		<u>HK\$ 6,463,332,621</u>	<u>100.00</u>
Total investments, at cost		<u>HK\$ 6,167,657,275</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Global Themes Fund

Investment portfolio

	Holding shares/ units	Market value US\$	% of net assets
Listed/quoted investments (99.06%)			
Equities (90.29%)			
Canada (6.37%)			
Canadian Imperial Bank of Commerce	3,484	284,633	3.08
Suncor Energy Inc	9,283	303,884	3.29
France (3.25%)			
Total SA	5,849	300,071	3.25
Ireland (2.94%)			
Accenture plc – CL A	2,318	271,507	2.94
Japan (6.22%)			
Astellas Pharma Inc	20,700	287,432	3.12
Hankyu Hanshin Holdings Inc	8,900	286,157	3.10
Korea (3.12%)			
Hyundai Glovis Co Ltd	2,247	287,450	3.12
Netherlands (3.18%)			
Heineken NV	3,905	293,465	3.18
Switzerland (5.82%)			
Chocoladefabriken Lindt & Spruengli AG	4	243,617	2.64
Roche Holding AG – Genusschein	1,280	292,938	3.18
Taiwan (3.04%)			
Taiwan Semiconductor Manufacturing Co Ltd	50,000	280,804	3.04
The United Kingdom (9.60%)			
3i Group plc	34,053	294,964	3.20
BAE Systems plc	39,287	285,930	3.10
Mondi plc	14,825	304,270	3.30

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Global Themes Fund (continued)

Investment portfolio (continued)

	Holding shares/ units	Market value US\$	% of net assets
Listed/quoted investments (99.06%) (continued)			
Equities (90.29%) (continued)			
The United States of America (46.75%)			
Amphenol Corp	4,250	285,600	3.10
Cincinnati Financial Corp	3,832	290,312	3.15
Cisco Systems Inc	9,503	287,371	3.11
Citrix Systems Inc	3,166	282,692	3.06
Discover Financial Services	4,070	293,406	3.18
Hasbro Inc	3,621	281,641	3.05
Moody's Corp	3,001	282,964	3.07
Stryker Corp	2,430	291,236	3.16
T Rowe Price Group Inc	3,799	285,913	3.10
Target Corp	3,776	272,854	2.96
The TJX Companies Inc	3,856	289,856	3.14
Verisk Analytics Inc	3,559	288,848	3.13
Verizon Communications Inc	5,520	294,713	3.19
Walt Disney Co	2,798	291,775	3.16
WEC Energy Group Inc	5,016	294,239	3.19
Total equities		<u>8,330,542</u>	<u>90.29</u>
Investment fund (5.59%)			
Hong Kong (5.59%)			
BEA Union Investment Global Flexi Allocation Fund – Class ADU	49,950	515,484	5.59
Total investment fund		<u>515,484</u>	<u>5.59</u>
Real estate investment trust (3.18%)			
The United States of America (3.18%)			
AvalonBay Communities Inc	1,657	293,637	3.18
Total real estate investment trust		<u>293,637</u>	<u>3.18</u>
Total investments		<u>9,139,663</u>	<u>99.06</u>
Total investments, at cost		<u>9,069,862</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Global Resources Fund

Investment portfolio

	Holding shares/ units	Market value US\$	% of net assets
Listed/quoted investments (100.37%)			
Equities (100.37%)			
Australia (5.53%)			
BHP Billiton Ltd	4,054	73,564	5.53
Canada (13.20%)			
ARC Resources Ltd	3,888	66,972	5.03
Goldcorp Inc	2,743	37,370	2.81
Suncor Energy Inc	2,178	71,298	5.36
Denmark (4.15%)			
Vestas Wind Systems A/S	848	55,190	4.15
Germany (4.91%)			
Lanxess AG	996	65,427	4.91
Ireland (3.06%)			
Smurfit Kappa Group plc	1,773	40,683	3.06
Netherlands (5.34%)			
Royal Dutch Shell plc	2,446	71,117	5.34
Norway (3.72%)			
Marine Harvest	2,735	49,472	3.72
Sweden (7.80%)			
AAK AB	827	54,574	4.10
Hexagon AB	1,372	49,249	3.70
Switzerland (5.15%)			
Syngenta AG	174	68,566	5.15

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Global Resources Fund (continued)

Investment portfolio (continued)

	Holding shares/ units	Market value US\$	% of net assets
Listed/quoted investments (100.37%) (continued)			
Equities (100.37%) (continued)			
The United Kingdom (27.39%)			
British American Tobacco plc	851	48,581	3.65
Keller Group plc	5,549	57,493	4.32
Mondi plc	2,779	57,036	4.28
Randgold Resources Ltd	735	58,170	4.37
Rio Tinto plc	1,670	65,084	4.89
RPC Group plc	4,542	59,715	4.49
Smurfit Kappa Group plc	801	18,538	1.39
The United States of America (20.12%)			
3M Co	366	65,397	4.91
International Paper Co	1,451	76,990	5.78
Phillips 66	845	73,017	5.48
Snap-on Inc	307	52,583	3.95
Total equities		<u>1,336,086</u>	<u>100.37</u>
Total investments		<u>1,336,086</u>	<u>100.37</u>
Total investments, at cost		<u>1,278,307</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asian Bond and Currency Fund

Investment portfolio

	Nominal value	Market value US\$	% of net assets
Listed/quoted investments (97.22%)			
Debt securities (97.22%)			
Denominated in United States Dollar (97.22%)			
361 Degrees International Ltd 7.25% 03/06/2021			
Callable-03/06/2019	4,700,000	5,037,596	2.04
ABJA Investment Co Pte Ltd 5.95% 31/07/2024	2,200,000	2,205,691	0.89
Adani Transmission Ltd 4.00% 03/08/2026	1,000,000	960,513	0.39
Agile Group Holdings Ltd 8.25% Perpetual			
Callable-18/07/2018	2,000,000	2,090,688	0.85
Agile Group Holdings Ltd 9.00% 21/05/2020	1,000,000	1,083,860	0.44
Alam Synergy Pte Ltd 6.625% 24/04/2022	3,600,000	3,572,748	1.45
Alam Synergy Pte Ltd 6.95% 27/03/2020	1,000,000	1,032,077	0.42
Anton Oilfield Services Group 7.5% 06/11/2018			
Callable-13/02/2017	4,240,000	3,723,222	1.51
Ausnet Services Holdings Pty Ltd 5.75% 17/03/2076			
Callable-17/09/2021	800,000	865,009	0.35
Biostime International Holdings Ltd 7.25% 21/06/2021	700,000	735,094	0.30
BOC Aviation Ltd 2.375% 15/09/2021			
Callable-15/08/2021	500,000	482,657	0.20
Caifu Holdings Ltd 8.75% 24/01/2020	1,000,000	1,082,980	0.44
Central China Real Estate Ltd 6.75% 08/11/2021			
Callable-08/11/2019	1,250,000	1,259,784	0.51
Central Plaza Development Ltd 8.375% Perpetual			
Callabe-08/04/2018	1,000,000	1,061,818	0.43
Chalco Hong Kong Investment Co Ltd 4.25%			
Perpetual Callable-07/11/2021	1,500,000	1,484,896	0.60
Chalieco Hong Kong Corp Ltd 5.7% Perpetual			
Callable-15/01/2020	700,000	713,110	0.29
China Aoyuan Property Group Ltd 6.525%			
25/04/2019	1,000,000	1,017,773	0.41
China Aoyuan Property Group Ltd 10.875%			
26/05/2018	1,700,000	1,845,610	0.75
China Aoyuan Property Group Ltd 11.25%			
17/01/2019	1,400,000	1,561,234	0.63
China Evergrande Group 8.75% 30/10/2018			
Callable-13/02/2017	3,800,000	3,919,990	1.59
China SCE Property Holdings Ltd 10.00% 02/07/2020	3,400,000	3,923,370	1.59
China South City Holdings Ltd 6.75% 13/09/2021	2,000,000	1,987,440	0.81
CIFI Holdings Group Co Ltd 7.75% 05/06/2020			
Callable-05/06/2018	3,000,000	3,236,302	1.31
Country Garden Holdings Co Ltd 7.50% 09/03/2020			
Callable-09/03/2020	1,400,000	1,519,117	0.62
Country Garden Holdings Co Ltd 7.875% 27/05/2019			
Callable-27/05/2017	3,000,000	3,172,763	1.29

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asian Bond and Currency Fund (continued)

Investment portfolio (continued)

	Nominal value	Market value US\$	% of net assets
Listed/quoted investments (97.22%) (continued)			
Debt securities (97.22%) (continued)			
Denominated in United States Dollar (97.22%) (continued)			
Dah Sing Bank Ltd 4.25% 30/11/2026			
Callable-30/11/2021	1,000,000	1,001,170	0.41
Fantasia Holdings Group Co Ltd 7.375% 04/10/2021	2,750,000	2,794,998	1.13
Fantasia Holdings Group Co Ltd 11.5% 01/06/2018	2,600,000	2,821,815	1.14
Future Land Development Holdings Ltd 6.25%			
12/11/2017	3,250,000	3,322,920	1.35
Future Land Development Holdings Ltd 10.25%			
21/07/2019 Callable-21/07/2017	1,200,000	1,348,087	0.55
Golden Eagle Retail Group Ltd 4.625% 21/05/2023	5,800,000	5,011,194	2.03
HT Global IT Solutions Holdings Ltd 7.00%			
14/07/2021	3,000,000	3,191,917	1.29
Indo Energy Finance BV 7.00% 07/05/2018	4,500,000	4,262,530	1.73
Indo Energy Finance II BV 6.375% 24/01/2023	3,900,000	2,931,989	1.19
Indonesia Government International Bond 4.35%			
08/01/2027	1,000,000	1,005,639	0.41
Indonesia Government International Bond 5.25%			
08/01/2047	1,500,000	1,506,426	0.61
Indonesia Government International Bond 5.95%			
08/01/2046	1,000,000	1,130,203	0.46
Jababeka International BV 6.5% 05/10/2023	4,000,000	3,974,231	1.61
Jsw Steel Ltd 4.75% 12/11/2019	3,250,000	3,222,165	1.31
Kaisa Group Holdings Ltd 6.56% 30/06/2020	2,500,000	2,318,650	0.94
Kaisa Group Holdings Ltd 6.56% 31/12/2020	1,700,000	1,565,275	0.63
Kaisa Group Holdings Ltd 6.56% 31/12/2021	1,500,000	1,378,725	0.56
KWVG Property Holding Ltd 8.25% 05/08/2019	3,400,000	3,723,844	1.51
KWVG Property Holding Ltd 8.625% 05/02/2020	500,000	539,985	0.22
KWVG Property Holding Ltd 8.975% 14/01/2019	2,500,000	2,716,660	1.10
Lai Sun International Finance 2012 Ltd 5.70%			
18/01/2018	1,200,000	1,247,554	0.51
Listrindo Capital Bv 4.95% 14/09/2026	2,000,000	1,965,520	0.80
Logan Property Holdings Co Ltd 11.25% 04/06/2019			
Callable-04/06/2017	2,400,000	2,618,250	1.06
Logan Property Holdings Co Ltd 9.75% 08/12/2017	2,400,000	2,537,902	1.03
Marquee Land Pte Ltd 9.75% 05/08/2019	4,100,000	4,517,305	1.83
MCE Finance Ltd 5.00% 15/02/2021	2,500,000	2,548,222	1.03
MIE Holdings Corp 6.875% 06/02/2018	4,900,000	4,204,303	1.70
MIE Holdings Corp 7.5% 25/04/2019	5,000,000	3,570,900	1.45
Modern Land China Co Ltd 6.875% 20/10/2019	1,500,000	1,478,084	0.60
Moon Wise Global Ltd 9.00% Perpetual			
Callable-28/01/2019	2,000,000	2,247,340	0.91
New World China Land Ltd 5.375% 06/11/2019	1,000,000	1,047,572	0.42

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asian Bond and Currency Fund (continued)

Investment portfolio (continued)

	Nominal value	Market value US\$	% of net assets
Listed/quoted investments (97.22%) (continued)			
Debt securities (97.22%) (continued)			
Denominated in United States Dollar (97.22%) (continued)			
Noble Group Ltd 3.625% 20/03/2018	3,700,000	3,491,617	1.41
Noble Group Ltd 6.75% 29/01/2020	1,500,000	1,300,620	0.53
Ottawa Holdings Pte Ltd 5.875% 16/05/2018	3,500,000	2,479,728	1.00
Pacific Emerald Pte Ltd 9.75% 25/07/2018 Callable-25/07/2016	3,550,000	3,852,886	1.56
Pakuwon Prima Pte Ltd 7.125% 02/07/2019	1,000,000	1,080,797	0.44
Parkson Retail Group Ltd 4.5% 03/05/2018	7,100,000	6,942,025	2.81
Pelabuhan Indonesia II (Persero) Pt 4.25% 05/05/2025	1,000,000	956,281	0.39
Pelabuhan Indonesia III PT 4.875% 01/10/2024	2,500,000	2,552,294	1.03
Pertamina (Persero) Pt 5.625% 20/05/2043	1,200,000	1,113,092	0.45
Pertamina (Persero) Pt 6.45% 30/05/2044	2,000,000	2,035,408	0.82
Perusahaan Gas Negara (Persero) TBK PT 5.125% 16/05/2024	1,200,000	1,236,236	0.50
Perusahaan Listrik Negara PT 5.25% 24/10/2042	2,000,000	1,788,202	0.72
Perusahaan Listrik Negara (Persero) Pt 5.5% 22/11/2021	2,000,000	2,154,717	0.87
Powerlong Real Estate Holdings Ltd 4.875% 15/09/2021	3,100,000	2,909,952	1.18
Powerlong Real Estate Holdings Ltd 7.625% 26/11/2018	2,700,000	2,819,538	1.14
Pratama Agung Pte Ltd 6.25% 24/02/2020 Callable-24/02/2018	1,000,000	1,053,849	0.43
Proven Honour Capital Ltd 4.125% 06/05/2026	2,000,000	2,004,204	0.81
Reliance Industries Ltd 4.125% 28/01/2025	1,500,000	1,517,536	0.61
RH International Finance Ltd 4.25% 19/10/2017	1,000,000	1,018,230	0.41
RKI Overseas Finance 2016 (A) Ltd 5% 09/08/2019	3,000,000	3,063,397	1.24
RKI Overseas Finance 2016 (B) Ltd 4.7% 06/09/2021	2,000,000	1,936,128	0.78
Shimao Property Holdings Ltd 6.625% 14/01/2020 Callable-14/01/2017	2,000,000	2,125,825	0.86
Shimao Property Holdings Ltd 8.125% 22/01/2021	1,200,000	1,337,875	0.54
Shimao Property Holdings Ltd 8.375% 10/02/2022	1,000,000	1,141,992	0.46
Shinhan Bank 3.875% 07/12/2026	900,000	902,442	0.37
Shougang Corp 3.375% 09/12/2019	1,000,000	995,223	0.40
Sinopec Group Overseas Development 2016 Ltd 2.75% 29/09/2026	1,000,000	916,408	0.37
SPIC 2016 US Dollar Bond Company Ltd 3.00% 06/12/2021	1,500,000	1,496,315	0.61
SPIC 2016 US Dollar Bond Company Ltd 3.875% 06/12/2026	1,000,000	1,004,401	0.41
Sri Lanka Government International Bond 5.75% 18/01/2022	500,000	505,192	0.20

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asian Bond and Currency Fund (continued)

Investment portfolio (continued)

	Nominal value	Market value US\$	% of net assets
Listed/quoted investments (97.22%) (continued)			
Debt securities (97.22%) (continued)			
Denominated in United States Dollar (97.22%) (continued)			
Star Energy Geothermal Wayang Windu Ltd 6.125% 27/03/2020	1,500,000	1,550,478	0.63
STATS ChipPAC Ltd 8.50% 24/11/2020	3,300,000	3,457,298	1.40
Studio City Co Ltd 5.875% 30/11/2019	2,500,000	2,577,073	1.04
Studio City Co Ltd 7.25% 30/11/2021	2,000,000	2,090,726	0.85
Studio City Finance Ltd 8.50% 01/12/2020 Callable-14/03/2016	1,300,000	1,355,851	0.55
Sunac China Holdings Ltd 8.75% 05/12/2019	3,400,000	3,695,288	1.50
TBG Global Pte Ltd 4.625% 03/04/2018	1,000,000	1,021,336	0.41
Tewoo Group Finance No 2 Ltd 4.50% 16/12/2019	1,200,000	1,183,350	0.48
Theta Capital Pte Ltd 6.75% 31/10/2026	1,400,000	1,321,723	0.54
Theta Capital Pte Ltd 7.00% 11/04/2022	2,700,000	2,814,684	1.14
Trillion Chance Ltd 8.50% 10/01/2019	3,400,000	3,673,275	1.49
Vedanta Resources plc 6.00% 31/01/2019	5,450,000	5,487,532	2.22
Vedanta Resources plc 7.125% 31/05/2023	3,100,000	3,038,315	1.23
Vedanta Resources plc 8.25% 07/06/2021	3,900,000	4,069,260	1.65
Vedanta Resources plc 9.50% 18/07/2018	4,900,000	5,401,435	2.19
West China Cement Ltd 6.50% 11/09/2019 Callable-11/09/2017	3,800,000	4,015,350	1.63
Wuhan Metro Group Co Ltd 2.375% 08/11/2019	500,000	497,163	0.20
Yuzhou Properties Co Ltd 9.00% 08/12/2019	5,000,000	5,427,450	2.20
Zoomlion Hk Spv Co Ltd 6.125% 20/12/2022	2,300,000	2,208,073	0.89
Total debt securities		<u>239,944,787</u>	<u>97.22</u>
Total investments		<u>239,944,787</u>	<u>97.22</u>
Total investments, at cost		<u>230,577,107</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Four Seasons Fund

Investment portfolio

	Holding shares/ units	Market value US\$	% of net assets
Listed/quoted investments (25.49%)			
Equities (25.49%)			
Singapore (25.49%)			
Singapore Press Holdings Ltd	4,100	10,018	9.05
Singapore Technologies Engineering Ltd	4,700	10,443	9.44
StarHub Ltd	4,000	7,752	7.00
Total equities		<u>28,213</u>	<u>25.49</u>
Total investments		<u>28,213</u>	<u>25.49</u>
Total investments, at cost		<u>41,610</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment China A-Share Equity Fund

Investment portfolio

	Holding shares/ units	Market value US\$	% of net assets
Listed/quoted investments (98.48%)			
Equities (93.67%)			
China (93.67%)			
Angang Steel Co Ltd – A	1,390,800	1,006,650	2.66
Anhui Conch Cement Co Ltd – A	418,600	1,018,469	2.69
AVIC Jonhon Optronics Technology Co Ltd – A	35,652	186,122	0.49
Bank of Beijing Co Ltd – A	332,400	466,828	1.23
Beijing Easpring Material Technology Co Ltd – A	40,600	251,562	0.66
Beijing Originwater Technology Co Ltd – A	292,300	736,479	1.95
China Communications Construction Co Ltd – A	527,800	1,152,128	3.04
China Life Insurance Co Ltd – A	165,800	574,496	1.52
China Merchants Bank Co Ltd – A	433,356	1,098,120	2.90
China Minsheng Banking Corp Ltd – A	829,000	1,084,337	2.87
China Oilfield Services Ltd – A	224,500	413,127	1.09
China State Construction Engineering Corp Ltd – A	305,600	388,733	1.03
Chongqing Brewery Co Ltd – A	213,700	567,344	1.50
CITIC Securities Co Ltd – A	682,400	1,576,013	4.17
Dong-E-E-Jiao Co Ltd – A	74,050	573,901	1.52
East Money Information Co Ltd – A	562,480	1,369,472	3.62
Foshan Haitian Flavouring & Food Co Ltd – A	88,364	373,444	0.99
Fujian Sunner Development Co Ltd – A	42,263	129,048	0.34
Gree Electric Appliances Inc of Zhuhai – A	72,900	258,157	0.68
Haitong Securities Co Ltd – A	505,746	1,143,384	3.02
Hangzhou Hikvision Digital Technology Co Ltd – A	272,450	933,060	2.47
Hangzhou Robam Appliances Co Ltd – A	173,919	920,960	2.43
Henan Shuanghui Investment & Development Co Ltd – A	115,600	347,989	0.92
Hengyi Petrochemical Co Ltd – A	324,800	701,524	1.85
Huatai Securities Co Ltd – A	400,162	1,026,950	2.71
Industrial Bank Co Ltd – A	419,453	974,165	2.57
Jiangsu Hengrui Medicine Co Ltd – A	162,844	1,065,936	2.82
Jiangsu Kangde Xin Composite Material Co Ltd – A	261,254	718,029	1.90
Jiangxi Sanchuan Water Meter Co Ltd – A	15	14	–
Kweichow Moutai Co Ltd – A	28,354	1,362,435	3.60
Lens Technology Co Ltd – A	146,000	579,839	1.53
Midea Group Co Ltd – A	154,600	626,452	1.66
Ping An Bank Co Ltd – A	315,720	413,418	1.09

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment China A-Share Equity Fund (continued)

Investment portfolio (continued)

	Holding shares/ units	Market value US\$	% of net assets
Listed/quoted investments (98.48%) (continued)			
Equities (93.67%) (continued)			
China (93.67%) (continued)			
Ping An Insurance Group Co of China Ltd – A	236,700	1,205,460	3.19
Poly Real Estate Group Co Ltd – A	760,849	997,782	2.64
Sany Heavy Industry Co Ltd – A	1,141,927	999,641	2.64
Shanghai Pudong Development Bank Co Ltd – A	229,460	535,554	1.42
Shenzhen Inovance Technology Co Ltd – A	143,482	419,534	1.11
Shenzhen O-film Tech Co Ltd – A	160,900	793,675	2.10
Shenzhen Sunway Communication Co Ltd – A	202,500	830,163	2.19
Sunwoda Electronic Co Ltd – A	358,000	716,050	1.89
Suofeiya Home Collection Co Ltd – A	124,600	971,052	2.57
Wangsu Science & Technology Co Ltd – A	78,925	608,844	1.61
Weifu High-Technology Group Co Ltd – A	184,300	594,840	1.57
Yunnan Baiyao Group Co Ltd – A	63,602	696,925	1.84
Zhejiang Huahai Pharmaceutical Co Ltd – A	218,019	690,066	1.82
Zhejiang Supor Cookware Co Ltd – A	81,930	411,683	1.09
Zhengzhou Yutong Bus Co Ltd – A	333,113	936,232	2.47
Total equities		<u>35,446,086</u>	<u>93.67</u>
Investment fund (4.81%)			
Hong Kong (4.81%)			
Hang Seng H Share Index ETF	149,400	1,819,051	4.81
Total investment fund		<u>1,819,051</u>	<u>4.81</u>
Total investments		<u>37,265,137</u>	<u>98.48</u>
Total investments, at cost		<u>38,991,384</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia Pacific Multi Income Fund

Investment portfolio

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (87.31%)			
Equities (26.48%)			
Australia (11.40%)			
Australia and New Zealand Banking Group Ltd	673,450	14,824,412	4.30
Suncorp Group Ltd	211,348	2,066,001	0.60
Westpac Banking Corp	950,617	22,433,058	6.50
Ireland (3.55%)			
James Hardie Industries plc	775,251	12,237,632	3.55
Singapore (1.96%)			
DBS Group Holdings Ltd	516,300	6,196,885	1.80
Singapore Technologies Engineering Ltd	256,500	569,921	0.16
Taiwan (2.90%)			
Cathay Financial Holding Co Ltd	1,357,000	2,029,461	0.59
Lite-On Technology Corp	1,677,000	2,526,249	0.73
Taiwan Semiconductor Manufacturing Co Ltd	969,000	5,441,970	1.58
Thailand (6.67%)			
PTT PCL	2,215,200	23,011,719	6.67
Total equities		<u>91,337,308</u>	<u>26.48</u>
Debt securities (54.96%)			
Denominated in Hong Kong Dollar (0.49%)			
National Australia Bank Ltd 3.73% 17/05/2026 Callable-17/05/2021	13,000,000	1,683,965	0.49

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia Pacific Multi Income Fund (continued)

Investment portfolio (continued)

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (87.31%) (continued)			
Debt securities (54.96%) (continued)			
Denominated in United States Dollar (54.47%)			
361 Degrees International Ltd 7.25% 03/06/2021 Callable-03/06/2019	2,000,000	2,143,658	0.62
ABJA Investment Co Pte Ltd 5.95% 31/07/2024	2,000,000	2,005,174	0.58
Adani Transmission Ltd 4.00% 03/08/2026	2,000,000	1,921,029	0.56
Agile Group Holdings Ltd 8.25% Perpetual Callable-18/07/2018	1,500,000	1,568,016	0.45
Agile Group Holdings Ltd 9.00% 21/05/2020	2,000,000	2,167,720	0.63
Alam Synergy Pte LTD 6.625% 24/04/2022	2,500,000	2,481,075	0.72
Alam Synergy Pte LTD 6.95% 27/03/2020	2,050,000	2,115,758	0.61
Ausnet Services Holdings Pty Ltd 5.75% 17/03/2076 Callable-17/09/2021	800,000	865,009	0.25
BOC Aviation Ltd 2.375% 15/09/2021 Callable-15/08/2021	3,000,000	2,895,939	0.84
Central China Real Estate Ltd 6.75% 08/11/2021 Callable-08/11/2019	1,250,000	1,259,784	0.37
Central Plaza Development Ltd 7.125% Perpetual Callable-02/12/2019	2,000,000	2,117,439	0.61
Chalco Hong Kong Investment Co Ltd 4.25% Perpetual Callable-07/11/2021	1,500,000	1,484,896	0.43
Chalieco Hong Kong Corp Ltd 5.7% Perpetual Callable-15/01/2020	700,000	713,111	0.21
China Aoyuan Property Group Ltd 6.525% 25/04/2019	200,000	203,555	0.06
China Aoyuan Property Group Ltd 10.875% 26/05/2018	1,500,000	1,628,479	0.47
China Aoyuan Property Group Ltd 11.25% 17/01/2019	2,400,000	2,676,401	0.78
China Great Wall International Holdings III Ltd 2.625% 27/10/2021	1,500,000	1,448,620	0.42
China SCE Property Holdings Ltd 10.00% 02/07/2020	2,750,000	3,173,314	0.92
China South City Holdings Ltd 6.75% 13/09/2021	2,000,000	1,987,440	0.58
CIFI Holdings Group Co Ltd 7.75% 05/06/2020 Callable-05/06/2018	4,100,000	4,422,946	1.28
Country Garden Holdings Co Ltd 4.75% 28/09/2023 Callable-28/09/2020	2,000,000	1,969,862	0.57
Country Garden Holdings Co Ltd 7.50% 09/03/2020	2,000,000	2,170,167	0.63
Country Garden Holdings Co Ltd 7.875% 27/05/2019 Callable-27/05/2017	5,000,000	5,287,938	1.53
Dah Sing Bank Ltd 4.25% 30/11/2026 Callable-30/11/2021	1,000,000	1,001,170	0.29

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia Pacific Multi Income Fund (continued)

Investment portfolio (continued)

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (87.31%) (continued)			
Debt securities (54.96%) (continued)			
Denominated in United States Dollar (54.47%) (continued)			
Fantasia Holdings Group Co Ltd 7.375% 04/10/2021	2,750,000	2,794,998	0.81
Fantasia Holdings Group Co Ltd 11.5% 01/06/2018	1,600,000	1,736,501	0.50
Future Land Development Holdings Ltd 6.25% 12/11/2017	2,000,000	2,044,874	0.59
Future Land Development Holdings Ltd 10.25% 21/07/2019	1,500,000	1,685,108	0.49
Indo Energy Finance BV 7.00% 07/05/2018 Callable-13/02/2017	1,600,000	1,515,566	0.44
Indo Energy Finance II BV 6.375% 24/01/2023	3,350,000	2,518,504	0.73
Indonesia Government International Bond 4.35% 08/01/2027	1,000,000	1,005,639	0.29
Indonesia Government International Bond 4.75% 08/01/2026	1,000,000	1,054,546	0.31
Indonesia Government International Bond 5.25% 08/01/2047	1,500,000	1,506,426	0.44
Indonesia Government International Bond 5.95% 08/01/2046	1,600,000	1,808,325	0.52
Jababeka International BV 6.50% 05/10/2023 Callable-05/10/2020	2,750,000	2,732,284	0.79
JSW Steel Ltd 4.75% 12/11/2019	3,500,000	3,470,024	1.01
Jubilant Pharma Ltd 4.875% 06/10/2021	1,000,000	984,430	0.29
KWG Property Holding Ltd 8.25% 05/08/2019	1,000,000	1,095,248	0.32
KWG Property Holding Ltd 8.975% 14/01/2019	2,500,000	2,716,660	0.79
Listrindo Capital BV 4.95% 14/09/2026 Callable-14/09/2021	1,500,000	1,474,140	0.43
Logan Property Holdings Co Ltd 9.75% 08/12/2017	1,400,000	1,480,443	0.43
Logan Property Holdings Co Ltd 11.25% 04/06/2019 Callable-04/06/2017	2,050,000	2,236,422	0.65
Marquee Land Pte Ltd 9.75% 05/08/2019 Callable-05/08/2017	2,450,000	2,699,365	0.78
MCE Finance Ltd 5.00% 15/02/2021 Callable-13/02/2017	2,300,000	2,344,364	0.68
MIE Holdings Corp 6.875% 06/02/2018 Callable-13/02/2017	1,000,000	858,021	0.25
MIE Holdings Corp 7.50% 25/04/2019	3,000,000	2,142,540	0.62
Modern Land China Co Ltd 6.875% 20/10/2019	1,500,000	1,478,084	0.43

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia Pacific Multi Income Fund (continued)

Investment portfolio (continued)

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (87.31%) (continued)			
Debt securities (54.96%) (continued)			
Denominated in United States Dollar (54.47%) (continued)			
Moon Wise Global Ltd 9.00% Perpetual Callable-28/01/2019	2,000,000	2,247,340	0.65
New World China Land Ltd 5.375% 06/11/2019	1,500,000	1,571,358	0.46
OVPH Ltd 5.875% Perpetual Callable-01/03/2021	2,500,000	2,640,008	0.77
Pacific Emerald Pte Ltd 9.75% 25/07/2018 Callable-25/07/2016	2,100,000	2,279,172	0.66
Pelabuhan Indonesia III PT 4.875% 01/10/2024	2,000,000	2,041,835	0.59
Pertamina (Persero) PT 6.45% 30/05/2044	1,500,000	1,526,556	0.44
Perusahaan Gas Negara (Persero) TBK PT 5.125% 16/05/2024	4,500,000	4,635,883	1.34
Perusahaan Listrik Negara PT 5.25% 24/10/2042	1,500,000	1,341,151	0.39
Perusahaan Listrik Negara (Persero) PT 5.50% 22/11/2021	1,000,000	1,077,358	0.31
Powerlong Real Estate Holdings Ltd 4.875% 15/09/2021 Callable-15/09/2019	2,100,000	1,971,258	0.57
Powerlong Real Estate Holdings Ltd 7.625% 26/11/2018	2,500,000	2,610,683	0.76
Pratama Agung Pte Ltd 6.25% 24/02/2020 Callable-24/02/2018	2,000,000	2,107,697	0.61
Proven Honour Capital Ltd 4.125% 06/05/2026	2,000,000	2,004,204	0.58
QBE Insurance Group Ltd 6.75% 02/12/2044 Callable-02/12/2024	2,000,000	2,118,875	0.61
QNB Finance Ltd 2.125% 07/09/2021	1,000,000	956,009	0.28
Reliance Industries Ltd 4.125% 28/01/2025	1,500,000	1,517,537	0.44
RKI Overseas Finance 2016 (A) Ltd 5.00% 09/08/2019	1,400,000	1,429,585	0.41
RKI Overseas Finance 2016 (B) Ltd 4.70% 06/09/2021	2,000,000	1,936,128	0.56
Shimao Property Holdings Ltd 6.625% 14/01/2020 Callable-14/01/2017	4,000,000	4,251,651	1.23
Shimao Property Holdings Ltd 8.125% 22/01/2021 Callable-22/01/2018	2,000,000	2,229,791	0.65
Shimao Property Holdings Ltd 8.375% 10/02/2022 Callable-10/02/2019	1,000,000	1,141,992	0.33
Shinhan Bank 3.875% 07/12/2026 Callable-07/12/2021	900,000	902,442	0.26
Shougang Corp 3.375% 09/12/2019	1,000,000	995,223	0.29
Sinopec Group Overseas Development 2016 Ltd 2.75% 29/09/2026	1,000,000	916,408	0.27
SPIC 2016 US dollar Bond Co Ltd 3.00% 06/12/2021	1,500,000	1,496,315	0.43

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia Pacific Multi Income Fund (continued)

Investment portfolio (continued)

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (87.31%) (continued)			
Debt securities (54.96%) (continued)			
Denominated in United States Dollar (54.47%) (continued)			
SPIC 2016 US Dollar Bond Co Ltd 3.875% 06/12/2026	1,000,000	1,004,401	0.29
Sri Lanka Government International Bond 5.75% 18/01/2022	500,000	505,192	0.15
Star Energy Geothermal Wayang Windu Ltd 6.125% 27/03/2020	1,500,000	1,550,479	0.45
STATS ChipPAC Ltd 8.50% 24/11/2020	2,500,000	2,619,165	0.76
Studio City Co Ltd 5.875% 30/11/2019	2,500,000	2,577,073	0.75
Studio City Co Ltd 7.25% 30/11/2021	2,000,000	2,090,726	0.61
Studio City Finance Ltd 8.50% 01/12/2020 Callable-18/03/2016	700,000	730,074	0.21
Sunac China Holdings Ltd 8.75% 05/12/2019	1,500,000	1,630,274	0.47
TBG Global Pte Ltd 4.625% 03/04/2018 Callable-13/02/2017	2,000,000	2,042,671	0.59
TBG Global Pte Ltd 5.25% 10/02/2022 Callable-10/02/2019	1,500,000	1,527,124	0.44
Tencent Holdings Ltd 2.875% 11/02/2020	2,000,000	2,028,041	0.59
Tewoo Group Finance No 2 Ltd 4.50% 16/12/2019	1,200,000	1,183,350	0.34
Theta Capital Pte Ltd 6.75% 31/10/2026 Callable-31/10/2021	2,000,000	1,888,175	0.55
Theta Capital Pte Ltd 7.00% 11/04/2022 Callable-11/04/2018	3,500,000	3,648,664	1.06
Trillion Chance Ltd 8.50% 10/01/2019	2,000,000	2,160,750	0.63
Unigroup International Holdings Ltd 6.00% 10/12/2020	1,000,000	1,055,350	0.31
Vedanta Resources plc 6.00% 31/01/2019	2,950,000	2,970,316	0.86
Vedanta Resources plc 7.125% 31/05/2023	2,500,000	2,450,254	0.71
Vedanta Resources plc 8.25% 07/06/2021	1,500,000	1,565,100	0.45
Vedanta Resources plc 9.50% 18/07/2018	3,000,000	3,307,002	0.96
West China Cement Ltd 6.50% 11/09/2019 Callable-11/09/2017	3,000,000	3,170,013	0.92
Woodside Finance Ltd 3.70% 15/09/2026	500,000	484,587	0.14
Wuhan Metro Group Co Ltd 2.375% 08/11/2019	500,000	497,163	0.14
Yuzhou Properties Co Ltd 9.00% 08/12/2019 Callable-08/12/2017	3,800,000	4,124,862	1.20
Total debt securities		189,532,242	54.96

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia Pacific Multi Income Fund (continued)

Investment portfolio (continued)

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (87.31%) (continued)			
Investment funds (0.91%)			
Hong Kong (0.91%)			
BEA Union Investment Asian Bond and Currency Fund	55,388	778,201	0.22
BEA Union Investment Global Flexi Allocation Fund – Class ADU	229,379	<u>2,367,191</u>	<u>0.69</u>
Total investment funds		<u>3,145,392</u>	<u>0.91</u>
Real estate investment trust (4.96%)			
Australia (4.96%)			
Stockland	5,204,638	<u>17,109,800</u>	<u>4.96</u>
Total real estate investment trust		<u>17,109,800</u>	<u>4.96</u>
Total investments		<u>301,124,742</u>	<u>87.31</u>
Total investments, at cost		<u>294,214,480</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment China Phoenix Fund

Investment portfolio

	Holding shares/ units	Market value US\$	% of net assets
Listed/quoted investments (100.66%)			
Equities (99.64%)			
China (3.25%)			
Jiangsu Hengrui Medicine Co Ltd – A	56,296	367,840	1.89
Zhengzhou Yutong Bus Co Ltd – A	93,892	263,888	1.36
Hong Kong (74.72%)			
AAC Technologies Holdings Inc	42,000	381,639	1.96
AIA Group Ltd	70,800	399,516	2.06
Angang Steel Co Ltd	360,000	214,055	1.10
Anhui Conch Cement Co Ltd	192,000	521,286	2.68
ANTA Sports Products Ltd	53,000	157,910	0.81
ASM Pacific Technology Ltd	28,100	297,558	1.53
BOC Hong Kong Holdings Ltd	164,500	587,717	3.02
China Construction Bank Corp – H	2,258,000	1,735,772	8.93
China Mengniu Dairy Co Ltd	181,000	347,846	1.79
China Merchants Bank Co Ltd – H	188,000	440,833	2.27
China Mobile Ltd	67,000	709,912	3.65
China Oilfield Services Ltd – H	266,000	246,679	1.27
China Petroleum & Chemical Corp	1,656,000	1,172,614	6.03
Guotai Junan International Holdings Ltd	474,000	145,505	0.75
Industrial & Commercial Bank of China Ltd – H	1,586,000	949,169	4.88
PetroChina Co Ltd	666,000	495,647	2.55
PICC Property and Casualty Co Ltd – H	438,000	681,308	3.51
Ping An Insurance (Group) Co of China Ltd – H	252,500	1,263,617	6.50
Shanghai Pharmaceuticals Holding Co Ltd – H	143,100	326,320	1.68
Shenzhou International Group Holdings Ltd	37,000	233,841	1.20
Skyworth Digital Holdings Ltd	430,000	244,585	1.26
Tencent Holdings Ltd	77,400	1,893,785	9.74
Vinda International Holdings Ltd	124,000	231,586	1.19
Weichai Power Co Ltd – H	299,000	460,466	2.37
WH Group Ltd	479,500	386,537	1.99

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment China Phoenix Fund (continued)

Investment portfolio (continued)

	Holding shares/ units	Market value US\$	% of net assets
Listed/quoted investments (100.66%) (continued)			
Equities (99.64%) (continued)			
Taiwan (1.37%)			
Taiwan Paiho Ltd	90,000	266,406	1.37
The United States of America (20.30%)			
Alibaba Group Holding Ltd – ADR	19,373	1,700,756	8.75
Baidu Inc – ADR	3,838	630,929	3.25
Ctrip.Com International Ltd – ADR	8,788	351,432	1.81
JD.com Inc – ADR	18,589	472,718	2.43
NetEase Inc – ADR	1,878	404,390	2.08
New Oriental Education & Technology Group Inc – ADR	4,586	193,071	0.99
Sina Corp	3,182	193,402	0.99
Total equities		<u>19,370,535</u>	<u>99.64</u>
Investment fund (1.02%)			
Hong Kong (1.02%)			
BEA Union Investment China A-Share Equity Fund – Class I	16,759	198,427	1.02
Total investment fund		<u>198,427</u>	<u>1.02</u>
Total investments		<u>19,568,962</u>	<u>100.66</u>
Total investments, at cost		<u>19,301,116</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment RMB Core Bond Fund

Investment portfolio

	Nominal value	Market value RMB	% of net assets
Listed/quoted investments (95.43%)			
Debt securities (87.82%)			
Denominated in Renminbi (87.82%)			
Agile Property Holdings Ltd 6.50% 28/02/2017	6,000,000	6,100,513	6.10
Australia & New Zealand Banking Group Ltd 4.75% 30/01/2025 Callable-30/01/2020	4,000,000	4,059,445	4.06
China Construction Bank Corp 4.90% 12/11/2024 Callable-12/11/2019	6,000,000	6,037,223	6.04
China New Town Finance I Ltd 5.50% 06/05/2018	6,000,000	6,042,226	6.04
China Unicom Hong Kong Ltd 4.00% 16/04/2017	4,000,000	4,004,755	4.00
Chongqing Grain Group Co Ltd 4.02% 15/07/2019	2,000,000	1,978,882	1.98
CNI Capital Ltd 4.3% 11/11/2019	5,000,000	4,949,691	4.95
Commonwealth Bank of Australia 5.15% 11/03/2025 Callable-11/03/2020	4,000,000	4,071,051	4.07
Fantasia Holdings Group Co Ltd 9.5% 04/05/2019	1,000,000	1,020,266	1.02
Fuqing Investment Management Ltd 4.85% 21/07/2018	6,000,000	6,069,431	6.07
Greenland Hong Kong Holdings Ltd 5.5% 23/01/2018	5,000,000	5,029,048	5.03
Hungary Government International Bond 6.25% 25/04/2019	3,000,000	3,092,231	3.09
ITNL Offshore Two Pte Ltd 7.50% 01/04/2018	6,000,000	5,936,719	5.94
Long Profit Group Ltd 5.20% 24/03/2017	3,000,000	3,019,757	3.02
New World China Land Ltd 5.5% 06/02/2018	6,000,000	6,046,140	6.04
Ocean Wealth Ltd 6.75% 28/05/2018	5,000,000	5,010,338	5.01
Powerlong Real Estate Holdings Ltd 10.75% 18/09/2017	6,000,000	6,326,908	6.33
Starway Assets Enterprises Inc 4.10% 22/01/2017	3,000,000	3,048,539	3.05
Zhuhai Da Heng Qin Co Ltd 4.75% 11/12/2017	6,000,000	5,978,776	5.98
Total debt securities		<u>87,821,939</u>	<u>87.82</u>
Investment fund (7.61%)			
Hong Kong (7.61%)			
BEA Union Investment Asian Bond and Currency Fund – Class ADU	77,751	7,610,327	7.61
Total investment fund		<u>7,610,327</u>	<u>7.61</u>
Total investments		<u>95,432,266</u>	<u>95.43</u>
Total investments, at cost		<u>93,501,853</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia Pacific Flexi Allocation Fund

Investment portfolio

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (102.41%)			
Equities (73.47%)			
Australia (9.04%)			
Commonwealth Bank of Australia	23,391	1,395,644	3.06
Macquarie Group Ltd	21,656	1,365,981	3.00
Sonic Healthcare Ltd	87,746	1,356,512	2.98
Hong Kong (18.64%)			
China Construction Bank Corp – H	1,949,000	1,498,237	3.29
CLP Holdings Ltd	149,000	1,369,284	3.01
Hengan International Group Co Ltd	189,000	1,387,064	3.04
Industrial and Commercial Bank of China Ltd – H	2,379,000	1,423,753	3.13
Sands China Ltd	330,000	1,434,387	3.15
Sun Hung Kai Properties Ltd	109,000	1,377,764	3.02
India (6.30%)			
Bharat Petroleum Corp Ltd	153,949	1,434,463	3.15
Tata Consultancy Services Ltd	41,214	1,433,103	3.15
Indonesia (6.23%)			
PT Bank Rakyat Indonesia Persero Tbk	1,644,100	1,420,420	3.12
PT Telekomunikasi Indonesia (Persero) Tbk	4,825,700	1,417,694	3.11
Korea (11.99%)			
GS Holdings Corp	30,099	1,345,786	2.95
Hyosung Corp	10,976	1,322,323	2.90
Hyundai Glovis Co Ltd	10,976	1,404,116	3.08
Hyundai Steel Co	29,559	1,395,067	3.06

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia Pacific Flexi Allocation Fund (continued)

Investment portfolio (continued)

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (102.41%) (continued)			
Equities (73.47%) (continued)			
Malaysia (3.05%)			
Public Bank Bhd	316,000	1,389,106	3.05
Singapore (6.09%)			
Jardine Matheson Holdings Ltd	25,600	1,414,400	3.10
Oversea-Chinese Banking Corp Ltd	220,800	1,363,283	2.99
Taiwan (12.13%)			
Foxconn Technology Co Ltd	525,000	1,384,625	3.04
Hon Hai Precision Industry Co Ltd	533,600	1,392,405	3.06
Taiwan Semiconductor Manufacturing Co Ltd	243,000	1,364,705	3.00
Uni-President Enterprises Corp	836,000	1,382,570	3.03
Total equities		33,472,692	73.47
Debt securities (1.68%)			
Denominated in United States Dollar (1.68%)			
Dah Sing Bank Ltd 4.25% 30/11/2026	500,000	500,585	1.10
Poly Real Estate Finance Ltd 5.25% 25/04/2019	250,000	264,449	0.58
Total debt securities		765,034	1.68
Investment funds (24.19%)			
Australia (2.76%)			
Sydney Airport Holdings Ltd	289,415	1,255,297	2.76
Hong Kong (21.43%)			
BEA Union Investment Asian Bond and Currency Fund – Class ADU	558,925	7,852,896	17.24
BEA Union Investment Global Flexi Allocation Fund – Class ADU	50,000	516,000	1.13
HKT Trust & HKT Ltd	1,139,000	1,395,627	3.06
Total investment funds		11,019,820	24.19

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia Pacific Flexi Allocation Fund (continued)

Investment portfolio (continued)

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (102.41%) (continued)			
Real estate investment trust (3.07%)			
Australia (3.07%)			
Goodman Group Pty Ltd	271,636	1,396,511	3.07
Total real estate investment trust		<u>1,396,511</u>	<u>3.07</u>
Total investments		<u>46,654,057</u>	<u>102.41</u>
Total investments, at cost		<u>46,571,138</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Global Flexi Allocation Fund

Investment portfolio

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (113.44%)			
Equities (67.05%)			
Canada (4.59%)			
Canadian Imperial Bank of Commerce	2,838	231,856	2.28
Suncor Energy Inc	7,186	235,238	2.31
France (2.36%)			
Total SA	4,680	240,098	2.36
Ireland (2.21%)			
Accenture plc – CL A	1,918	224,655	2.21
Japan (4.66%)			
Astellas Pharma Inc	17,000	236,055	2.32
Hankyu Hanshin Holdings Inc	7,400	237,929	2.34
Korea (2.35%)			
Hyundai Glovis Co Ltd	1,872	239,477	2.35
Netherlands (2.36%)			
Heineken NV	3,194	240,032	2.36
Switzerland (4.72%)			
Chocoladefabriken Lindt & Spruengli AG	4	243,617	2.39
Roche Holding AG	1,036	237,097	2.33

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Global Flexi Allocation Fund (continued)

Investment portfolio (continued)

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (113.44%) (continued)			
Equities (67.05%) (continued)			
Taiwan (2.26%)			
Taiwan Semiconductor Manufacturing Co Ltd	41,000	230,259	2.26
The United Kingdom (7.09%)			
3i Group plc	27,804	240,836	2.37
BAE Systems plc	31,910	232,240	2.28
Mondi plc	12,119	248,732	2.44
The United States of America (34.45%)			
Amphenol Corp	3,501	235,267	2.31
Cincinnati Financial Corp	3,119	236,295	2.32
Cisco Systems Inc	7,715	233,302	2.29
Citrix Systems Inc	2,602	232,333	2.28
Discover Financial Services	3,292	237,320	2.33
Hasbro Inc	2,918	226,962	2.23
Moody's Corp	2,446	230,633	2.27
Stryker Corp	1,987	238,142	2.34
T Rowe Price Group Inc	3,074	231,349	2.27
Target Corp	3,075	222,200	2.19
TJX Companies Inc	3,074	231,073	2.27
Verisk Analytics Inc	2,885	234,147	2.30
Verizon Communications Inc	4,515	241,055	2.37
Walt Disney Co	2,271	236,820	2.33
WEC Energy Group Inc	4,068	238,629	2.35
Total equities		6,823,648	67.05

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Global Flexi Allocation Fund (continued)

Investment portfolio (continued)

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (113.44%) (continued)			
Debt securities (33.78%)			
Denominated in United States Dollar (33.78%)			
AusNet Services Holdings Pty Ltd 5.75% 17/03/2076 Callable-01/03/2021	200,000	216,252	2.13
Axiata SPV2 Bhd 4.357% 24/03/2026	200,000	203,186	2.00
Bluestar Finance Holdings Ltd 3.50% 30/09/2021	200,000	198,957	1.96
BNP Paribas SA 4.375% 28/09/2025	200,000	200,826	1.97
BOC Aviation Ltd 2.375% 15/09/2021 Callable-15/08/2021	250,000	241,328	2.37
Doosan Infracore Co Ltd 2.375% 21/11/2019	200,000	199,630	1.96
Friends Life Holdings plc 7.875% Perpetual Callable-18/11/2018	200,000	215,823	2.12
JPMorgan Chase & Co 4.25% 01/10/2027	200,000	207,179	2.04
Medtronic Inc 3.15% 15/03/2022	200,000	206,125	2.03
Oversea-Chinese Banking Corp Ltd 4.00% 15/10/2024 Callable-15/10/2019	5,000	5,172	0.05
OVPH Ltd 5.875% Perpetual Callable-01/03/2021	300,000	316,801	3.11
QBE Insurance Group Ltd 6.75% 02/12/2044 Callable-02/12/2044	200,000	211,888	2.08
Sinopec Group Overseas Development 2016 Ltd 2.75% 29/09/2026	200,000	183,282	1.80
SPIC 2016 US Dollar Bond Co Ltd 3.00% 06/12/2021	200,000	199,509	1.96
Sumintomo Mitsui Financial Group Inc 2.63% 09/03/2021	200,000	205,654	2.02
Verizon Communications Inc 4.50% 15/09/2020	200,000	216,000	2.12
Wells Fargo & Co 4.125% 15/08/2023	200,000	209,751	2.06
Total debt securities		3,437,363	33.78

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Global Flexi Allocation Fund (continued)

Investment portfolio (continued)

	Holding shares/ units/nominal value	Market value US\$	% of net assets
Listed/quoted investments (113.44%) (continued)			
Investment fund (10.23%)			
Hong Kong (10.23%)			
BEA Union Investment Asian Bond and Currency Fund – Class ADU	74,096	1,041,049	10.23
Total investment fund		<u>1,041,049</u>	<u>10.23</u>
Real estate investment trust (2.38%)			
The United States of America (2.38%)			
AvalonBay Communities Inc	1,364	241,714	2.38
Total real estate investment trust		<u>241,714</u>	<u>2.38</u>
Total investments		<u>11,543,774</u>	<u>113.44</u>
Total investments, at cost		<u>11,360,605</u>	

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment China High Yield Income Fund

Investment portfolio

	Nominal value	Market value US\$	% of net assets
Listed/quoted investments (95.73%)			
Debt securities (95.73%)			
Denominated in United States Dollar (95.73%)			
361 Degrees International Ltd 7.25% 03/06/2021 Callable-03/06/2019	750,000	803,872	2.46
Agile Group Holdings Ltd 8.25% Perpetual Callable-18/07/2018	350,000	365,869	1.12
Agile Group Holdings Ltd 9.00% 21/05/2020	200,000	216,772	0.66
Agile Group Holdings Ltd 9.875% 20/03/2017	500,000	519,832	1.59
Anton Oilfield Services Group/Hong Kong 7.50% 06/11/2018 Callable-13/02/2017	1,000,000	878,118	2.68
Biosime International Holdings Ltd 7.25% 21/06/2021	300,000	315,040	0.96
Caifu Holdings Ltd 8.75% 24/01/2020	500,000	541,490	1.65
Central Plaza Development Ltd 8.375% Perpetual Callable-08/04/2018	300,000	318,546	0.97
China Aoyuan Property Group Ltd 10.875% 26/05/2018	600,000	651,392	1.99
China Aoyuan Property Group Ltd 11.25% 17/01/2019	400,000	446,067	1.36
China Evergrande Group 8.75% 30/10/2018 Callable-13/02/2017	1,100,000	1,134,734	3.47
China SCE Property Holdings Ltd 10.00% 02/07/2020	900,000	1,038,539	3.17
CIFI Holdings Group Co Ltd 7.75% 05/06/2020 Callable-05/06/2018	850,000	916,952	2.80
CIFI Holdings Group Co Ltd 8.875% 27/01/2019	500,000	542,108	1.66
Country Garden Holdings Co Ltd 7.25% 04/04/2021	400,000	427,252	1.31
Country Garden Holdings Co Ltd 7.50% 09/03/2020 Callable-09/03/2020	400,000	434,033	1.33
Country Garden Holdings Co Ltd 7.875% 27/05/2019 Callable-27/05/2017	400,000	423,035	1.29
Fantasia Holdings Group Co Ltd 11.5% 01/06/2018	200,000	217,063	0.66
Fantasia Holdings Group Co Ltd 7.375% 04/10/2021	700,000	711,454	2.17
Future Land Development Holdings Ltd 10.25% 21/07/2019	400,000	449,362	1.37
Future Land Development Holdings Ltd 6.25% 12/11/2017	700,000	715,706	2.19
Golden Eagle Retail Group Ltd 4.625% 21/05/2023	1,100,000	950,399	2.90
Greentown China Holdings Ltd 5.875% 11/08/2020	500,000	533,594	1.63
Indo Energy Finance BV 7.00% 07/05/2018 Callable-13/02/2017	400,000	378,892	1.16

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment China High Yield Income Fund (continued)

Investment portfolio (continued)

	Nominal value	Market value US\$	% of net assets
Listed/quoted investments (95.73%) (continued)			
Debt securities (95.73%) (continued)			
Denominated in United States Dollar (95.73%) (continued)			
Kaisa Group Holdings Ltd 7.56% 30/06/2020	400,000	370,984	1.13
Kaisa Group Holdings Ltd 7.56% 31/12/2020	300,000	276,225	0.84
Kaisa Group Holdings Ltd 7.56% 31/12/2021	200,000	183,830	0.56
KWG Property Holding Ltd 8.25% 05/08/2019	300,000	328,575	1.00
KWG Property Holding Ltd 8.625% 05/02/2020	500,000	539,985	1.65
KWG Property Holding Ltd 8.975% 14/01/2019	500,000	543,332	1.66
Logan Property Holdings Co Ltd 11.25% 04/06/2019 Callable-04/06/2017	200,000	218,188	0.67
Logan Property Holdings Co Ltd 9.75% 08/12/2017	500,000	528,729	1.62
Longfor Properties Co Ltd 6.75% 29/01/2023 Callable-29/01/2018	500,000	544,470	1.66
MIE Holdings Corp 6.875% 06/02/2018 Callable-13/02/2017	900,000	772,219	2.36
MIE Holdings Corp 7.50% 25/04/2019	850,000	607,053	1.85
Modern Land China Co Ltd 6.875% 20/10/2019	250,000	246,346	0.75
Moon Wise Global Ltd 9.00% Perpetual Callable-28/01/2019	500,000	561,835	1.72
Noble Group Ltd 3.625% 20/03/2018	300,000	283,104	0.86
Pacific Emerald Pte Ltd 9.75% 25/07/2018 Callable-13/02/2017	400,000	434,128	1.33
Parkson Retail Group Ltd 4.50% 03/05/2018	1,000,000	977,750	2.99
Powerlong Real Estate Holdings Ltd 4.875% 15/09/2021 Callable-15/09/2019	300,000	281,608	0.86
Powerlong Real Estate Holdings Ltd 7.625% 26/11/2018	700,000	730,991	2.23
RKI Overseas Finance 2016 (A) Ltd 5.00% 09/08/2019	1,000,000	1,021,132	3.12
Shimao Property Holdings Ltd 8.125% 22/01/2021	600,000	668,937	2.04
Shimao Property Holdings Ltd 8.375% 10/02/2022 Callable-10/02/2019	800,000	913,594	2.79
Stats Chippac Pte Ltd 8.5% 24/11/2020	500,000	523,833	1.60
Studio City Co Ltd 5.875% 30/11/2019	200,000	206,166	0.63
Studio City Co Ltd 7.25% 30/11/2021	200,000	209,073	0.64

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment China High Yield Income Fund (continued)

Investment portfolio (continued)

	Nominal value	Market value US\$	% of net assets
Listed/quoted investments (95.73%) (continued)			
Debt securities (95.73%) (continued)			
Denominated in United States Dollar (95.73%) (continued)			
Sunac China Holdings Ltd 8.75% 05/12/2019	500,000	543,425	1.66
Tewoo Group Finance No 2 Ltd 4.50% 16/12/2019	300,000	295,838	0.90
Trillion Chance Ltd 8.50% 10/01/2019	600,000	648,225	1.98
Vedanta Resources plc 6.00% 31/01/2019	700,000	704,821	2.15
Vedanta Resources plc 8.25% 07/06/2021	400,000	417,360	1.28
Vedanta Resources plc 9.50% 18/07/2018	600,000	661,400	2.02
West China Cement Ltd 6.50% 11/09/2019	600,000	634,003	1.94
Yuzhou Properties Co Ltd 8.625% 24/01/2019 Callable-13/02/2017	500,000	540,227	1.65
Yuzhou Properties Co Ltd 9.00% 08/12/2019 Callable-08/12/2017	300,000	325,647	0.99
Zoomlion HK SPV Co Ltd 6.125% 20/12/2022	700,000	672,022	2.05
Total debt securities		<u>31,345,176</u>	<u>95.73</u>
Total investments		<u>31,345,176</u>	<u>95.73</u>
Total investments, at cost		<u>30,174,467</u>	

BEA UNION INVESTMENT SERIES

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AS AT 31 DECEMBER 2016 (CONTINUED)

Statement of movements in portfolio holdings

BEA Union Investment Japan Growth Fund

	Holdings as at 31 December 2015 Units	Additions Units	Disposals Units	Holdings as at 31 December 2016 Units
Fidelity Global Investment Fund – Japanese Equity Fund – Class A	<u>42,540.5910</u>	<u>–</u>	<u>5,314.9200</u>	<u>37,225.6710</u>

BEA Union Investment Global Themes Fund

	% of net assets	
	At 31 December 2016	At 31 December 2015
Equities		
Australia	–	3.60
Brazil	–	2.98
Canada	6.37	–
France	3.25	–
Germany	–	3.43
Ireland	2.94	3.33
Japan	6.22	6.78
Korea	3.12	–
Mexico	–	3.21
Netherlands	3.18	9.56
Russian Federation	–	2.92
Switzerland	5.82	7.05
Taiwan	3.04	–
The United Kingdom	9.60	6.71
The United States of America	46.75	49.79
Investment fund		
Hong Kong	5.59	–
Real estate investment trust		
The United States of America	<u>3.18</u>	<u>–</u>
	<u>99.06</u>	<u>99.36</u>

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Statement of movements in portfolio holdings (continued)

BEA Union Investment Global Resources Fund

	% of net assets	
	At 31 December 2016	At 31 December 2015
Equities		
Australia	5.53	–
Canada	13.20	2.54
Denmark	4.15	–
Germany	4.91	19.81
Ireland	3.06	4.00
Netherlands	5.34	–
Norway	3.72	5.07
Spain	–	1.55
Sweden	7.80	8.42
Switzerland	5.15	–
The United Kingdom	27.39	32.71
The United States of America	<u>20.12</u>	<u>21.74</u>
	<u>100.37</u>	<u>95.84</u>

BEA Union Investment Asian Bond and Currency Fund

	% of net assets	
	At 31 December 2016	At 31 December 2015
Debt securities		
United States Dollar	<u>97.22</u>	<u>97.22</u>

BEA Union Investment Four Seasons Fund

	% of net assets	
	At 31 December 2016	At 31 December 2015
Equities		
Singapore	<u>25.49</u>	<u>24.71</u>

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INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Statement of movements in portfolio holdings (continued)

BEA Union Investment China A-Share Equity Fund

	% of net assets	
	At 31 December 2016	At 31 December 2015
Equities		
China	93.67	98.36
Investment fund		
Hong Kong	4.81	–
	<u>98.48</u>	<u>98.36</u>

BEA Union Investment Asia Pacific Multi Income Fund

	% of net assets	
	At 31 December 2016	At 31 December 2015
Equities		
Australia	11.40	5.81
Hong Kong	–	8.89
Ireland	3.55	–
Singapore	1.96	6.30
Taiwan	2.90	–
Thailand	6.67	–
Debt securities		
Hong Kong Dollar	0.49	–
United States Dollar	54.47	59.88
Investment funds		
Australia	–	8.65
Hong Kong	0.91	1.30
Real estate investment trust		
Australia	4.96	3.56
Singapore	–	3.39
	<u>87.31</u>	<u>97.78</u>

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Statement of movements in portfolio holdings (continued)

BEA Union Investment China Phoenix Fund

	% of net assets	
	At 31 December 2016	At 31 December 2015
Equities		
China	3.25	3.85
Hong Kong	74.72	83.81
Taiwan	1.37	0.38
The United States of America	20.30	9.51
Investment fund		
Hong Kong	1.02	5.96
	<u>100.66</u>	<u>103.51</u>

BEA Union Investment RMB Core Bond Fund

	% of net assets	
	At 31 December 2016	At 31 December 2015
Debt securities		
Renminbi	87.82	76.16
United States Dollar	–	13.69
Investment fund		
Hong Kong	7.61	8.85
	<u>95.43</u>	<u>98.70</u>

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Statement of movements in portfolio holdings (continued)

BEA Union Investment Asia Pacific Flexi Allocation Fund

	% of net assets	
	At 31 December 2016	At 31 December 2015
Equities		
Australia	9.04	13.87
China	–	10.50
Hong Kong	18.64	13.71
India	6.30	8.18
Indonesia	6.23	5.77
Korea	11.99	7.86
Malaysia	3.05	2.72
Singapore	6.09	2.71
Taiwan	12.13	8.13
Debt securities		
United States Dollar	1.68	1.17
Index futures		
Hong Kong	–	0.05
Singapore	–	(0.01)
Investment funds		
Australia	2.76	–
Hong Kong	21.43	21.07
Real estate investment trust		
Australia	3.07	–
	<u>102.41</u>	<u>95.73</u>

BEA UNION INVESTMENT SERIES

INVESTMENT REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Statement of movements in portfolio holdings (continued)

BEA Union Investment Global Flexi Allocation Fund

	% of net assets	
	At 31 December 2016	At 31 December 2016
Equities		
Canada		4.59
France		2.36
Ireland		2.21
Japan		4.66
Korea		2.35
Netherlands		2.36
Switzerland		4.72
Taiwan		2.26
The United Kingdom		7.09
The United States of America		34.45
Debt securities		
United States Dollar		33.78
Investment fund		
Hong Kong		10.23
Real estate investment trust		
The United States of America		2.38
		<u>113.44</u>

BEA Union Investment China High Yield Income Fund

	% of net assets At 31 December 2016
Debt securities	
United States Dollar	<u>95.73</u>

BEA UNION INVESTMENT SERIES

PERFORMANCE REPORT AS AT 31 DECEMBER 2016

Performance table

(a) Price record

Sub-funds	Class of units	2016		2015		2014		2013		2012		2011		2010		2009		2008		2007		2006	
		Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit
BEA Union Investment Japan Growth Fund	Class A (US\$)	6.98	8.64	7.94	9.71	7.78	9.03	6.77	8.97	6.21	7.16	6.31	8.21	6.48	7.76	5.02	7.32	5.82	9.95	9.30	11.09	9.05	11.27
BEA Union Investment Global Themes Fund	Class A (US\$)	9.82	11.31	10.44	11.82	10.40	11.62	9.32	11.18	7.50	9.21	7.03	10.40	6.85	9.09	4.25	7.67	4.48	10.36	9.69	11.33	-	-
BEA Union Investment Global Resources Fund	Class A (US\$)	0.59	0.78	0.66	0.87	0.75	0.96	0.74	0.88	0.67	0.83	0.65	0.95	0.63	0.88	0.42	0.78	0.43	1.15	-	-	-	-
BEA Union Investment Asian Bond and Currency Fund	Class A Accumulating (US\$)	18.62	21.61	17.56	18.99	17.08	18.37	16.33	17.54	13.37	16.62	12.14	14.20	11.10	13.44	9.88	11.48	9.52	10.03	-	-	-	-
	Class A Distributing (US\$)	12.81	14.32	12.71	13.51	13.09	13.74	13.05	13.96	11.55	13.65	10.62	12.57	10.35	12.29	9.86	10.93	9.49	10.03	-	-	-	-
	Class A Distributing Hedged (AU\$)	9.79	10.92	9.68	10.26	9.86	10.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing Hedged (RMB)	99.80	111.02	97.07	103.01	98.54	102.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class H Distributing (HK\$)	10.28	11.44	10.15	10.79	10.45	10.97	10.42	11.16	9.25	10.90	8.53	10.05	-	-	-	-	-	-	-	-	-	-
	Class I Accumulating (US\$)	-	-	-	-	-	-	-	-	-	-	12.16	14.21	-	-	-	-	-	-	-	-	-	-
BEA Union Investment Four Seasons Fund ⁽¹⁾	Class A (US\$)	6.72	7.79	7.62	8.59	8.61	9.55	9.46	10.09	9.65	10.06	9.66	10.91	9.82	11.02	-	-	-	-	-	-	-	-
BEA Union Investment China A-Share Equity Fund ⁽²⁾	Class A (US\$)	8.72	10.73	9.21	16.96	7.07	11.77	7.81	9.31	7.13	8.35	7.45	10.05	9.52	10.10	-	-	-	-	-	-	-	-
	Class I (US\$)	10.75	13.23	11.33	20.84	8.67	14.45	9.55	11.38	8.70	10.20	9.08	12.22	9.09	13.04	-	-	-	-	-	-	-	-
	Class P (US\$)	10.60	13.03	11.19	20.58	8.59	14.29	9.48	11.31	8.65	10.13	9.05	12.20	9.09	13.03	-	-	-	-	-	-	-	-

BEA UNION INVESTMENT SERIES

PERFORMANCE REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Performance table (continued)

(a) Price record (continued)

Sub-funds	Class of units	2016		2015		2014		2013		2012		2011		2010		2009		2008		2007		2006	
		Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit
BEA Union Investment Asia Pacific Multi Income Fund ⁽³⁾	Class A Accumulating (US\$)	10.96	12.79	11.11	12.04	10.76	11.80	10.25	11.28	10.00	10.60	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing (HK\$)	99.99	111.91	102.56	114.53	109.72	117.25	108.93	120.97	99.14	115.75	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing (US\$)	9.92	11.20	10.27	11.47	10.97	11.75	10.90	12.10	9.92	11.59	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing Hedged (AUS)	8.77	9.78	9.08	10.19	9.77	10.36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing Hedged (NZ\$)	8.91	9.88	9.22	10.41	9.93	10.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing Hedged (RMB)	88.85	100.20	91.62	101.99	97.04	103.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEA Union Investment China Phoenix Fund ⁽⁴⁾	Class A Accumulating (HK\$)	68.79	89.74	78.68	139.77	94.79	111.15	89.29	110.32	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Accumulating (US\$)	6.85	8.98	7.88	14.00	9.48	11.13	8.93	11.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Accumulating Hedged (RMB)	68.43	90.19	77.36	136.51	98.07	104.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEA Union Investment RMB Core Bond Fund ⁽⁵⁾	Class A Distributing (HK\$)	86.24	92.06	90.27	98.59	97.86	101.44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing (RMB)	95.62	100.59	96.98	100.32	99.67	101.93	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing (US\$)	8.64	9.21	9.04	9.87	9.78	10.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

BEA UNION INVESTMENT SERIES

PERFORMANCE REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Performance table (continued)

(a) Price record (continued)

Sub-funds	Class of units	2016		2015		2014		2013		2012		2011		2010		2009		2008		2007		2006	
		Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit	Lowest redemption price per unit	Highest issue price per unit
BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽⁶⁾	Class A Accumulating (US\$)	8.57	10.12	8.72	10.54	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing (HK\$)	83.50	95.93	85.96	105.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing (US\$)	8.27	9.58	8.59	10.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing Hedged (AUS\$)	8.16	9.34	8.54	10.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing Hedged (NZ\$)	8.18	9.40	8.58	10.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing Hedged (RMB)	83.49	96.68	86.42	106.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEA Union Investment Global Flexi Allocation Fund ⁽⁷⁾	Class A Distributing (HK\$)	98.70	107.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing (US\$)	9.87	10.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BEA Union Investment China High Yield Income Fund ⁽⁸⁾	Class A Distributing (HK\$)	99.71	105.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing (US\$)	9.97	10.59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing Hedged (AUS\$)	9.97	10.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Class A Distributing Hedged (RMB)	99.85	105.81	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

⁽¹⁾ The date of commencement for BEA Union Investment Four Seasons Fund was 23 October 2009. The 2010 figures covered the period from 23 October 2009 to 31 December 2010.

⁽²⁾ The date of commencement for BEA Union Investment China A-Share Equity Fund was 8 June 2010.

⁽³⁾ The date of commencement for BEA Union Investment Asia Pacific Multi Income Fund was 11 May 2012.

⁽⁴⁾ The date of commencement for BEA Union Investment China Phoenix Fund was 30 April 2013.

⁽⁵⁾ The date of commencement for BEA Union Investment RMB Core Bond Fund was 28 February 2014.

⁽⁶⁾ The date of commencement for BEA Union Investment Asia Pacific Flexi Allocation Fund was 6 February 2015.

⁽⁷⁾ The date of commencement for BEA Union Investment Global Flexi Allocation Fund was 27 January 2016.

⁽⁸⁾ The date of commencement for BEA Union Investment China High Yield Income Fund was 22 April 2016.

BEA UNION INVESTMENT SERIES

PERFORMANCE REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Performance table (continued)

(b) Total net asset value

Sub-funds	As at 31 December 2016		As at 31 December 2015		As at 31 December 2014		As at 31 December 2013	
BEA Union Investment Japan Growth Fund	US\$	375,872	US\$	452,061	US\$	1,315,817	US\$	1,635,203
BEA Union Investment Global Themes Fund	US\$	9,226,008	US\$	9,683,542	US\$	18,334,740	US\$	24,647,994
BEA Union Investment Global Resources Fund	US\$	1,331,220	US\$	1,609,630	US\$	2,865,812	US\$	4,056,616
BEA Union Investment Asian Bond and Currency Fund	US\$	246,798,150	US\$	105,956,167	US\$	134,251,089	US\$	256,357,994
BEA Union Investment Four Seasons Fund	US\$	110,667	US\$	128,545	US\$	245,925	US\$	550,940
BEA Union Investment China A-Share Equity Fund	US\$	37,838,538	US\$	47,771,980	US\$	40,000,544	US\$	36,927,786
BEA Union Investment Asia Pacific Multi Income Fund	US\$	344,909,134	US\$	260,610,661	US\$	273,704,754	US\$	219,582,550
BEA Union Investment China Phoenix Fund	US\$	19,440,012	US\$	26,161,185	US\$	18,137,272	US\$	18,932,985
BEA Union Investment RMB Core Bond Fund	RMB	100,001,730	RMB	234,136,910	RMB	769,280,318	RMB	–
BEA Union Investment Asia Pacific Flexi Allocation Fund	US\$	45,558,095	US\$	88,967,732	US\$	–	US\$	–
BEA Union Investment Global Flexi Allocation Fund	US\$	10,176,350	US\$	–	US\$	–	US\$	–
BEA Union Investment China High Yield Income Fund	US\$	32,742,801	US\$	–	US\$	–	US\$	–

BEA UNION INVESTMENT SERIES

PERFORMANCE REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Performance table (continued)

(c) Net asset value per unit

Sub-funds	Class of units	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014	As at 31 December 2013
BEA Union Investment Japan Growth Fund	Class A (US\$)	7.94	8.78	8.28	8.94
BEA Union Investment Global Themes Fund	Class A (US\$)	11.09	11.05	11.21	11.18
BEA Union Investment Global Resources Fund	Class A (US\$)	0.77	0.67	0.80	0.88
BEA Union Investment Asian Bond and Currency Fund	Class A Accumulating (US\$)	21.40	18.76	17.89	17.47
	Class A Distributing (US\$)	14.00	12.97	13.11	13.58
	Class A Distributing Hedged (AU\$)	10.66	9.90	9.89	–
	Class A Distributing Hedged (RMB)	108.35	100.65	98.86	–
	Class H Distributing (HK\$)	11.18	10.36	10.47	10.84
BEA Union Investment Four Seasons Fund	Class A (US\$)	6.71	7.61	8.61	9.55
BEA Union Investment China A-Share Equity Fund	Class A (US\$)	9.59	11.23	11.76	8.02
	Class I (US\$)	11.83	13.84	14.44	9.82
	Class P (US\$)	11.64	13.65	14.28	9.74
BEA Union Investment Asia Pacific Multi Income Fund	Class A Accumulating (US\$)	12.17	11.44	11.40	11.09
	Class A Distributing (HK\$)	103.88	104.04	110.79	114.55
	Class A Distributing (US\$)	10.40	10.42	11.09	11.47
	Class A Distributing Hedged (AU\$)	8.97	9.21	9.84	–
	Class A Distributing Hedged (NZ\$)	9.03	9.36	10.00	–
	Class A Distributing Hedged (RMB)	92.74	93.12	97.85	–

BEA UNION INVESTMENT SERIES

PERFORMANCE REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Performance table (continued)

(c) Net asset value per unit (continued)

Sub-funds	Class of units	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014	As at 31 December 2013
BEA Union Investment China Phoenix Fund	Class A Accumulating (HK\$)	79.18	84.69	107.96	107.34
	Class A Accumulating (US\$)	7.93	8.48	10.80	10.74
	Class A Accumulating Hedged (RMB)	79.96	84.19	104.18	–
BEA Union Investment RMB Core Bond Fund	Class A Distributing (HK\$)	85.97	90.02	96.79	–
	Class A Distributing (RMB)	98.64	97.01	98.98	–
	Class A Distributing (US\$)	8.61	9.01	9.99	–
BEA Union Investment Asia Pacific Flexi Allocation Fund	Class A Accumulating (US\$)	9.26	9.24	–	–
	Class A Distributing (HK\$)	86.62	89.54	–	–
	Class A Distributing (US\$)	8.66	8.95	–	–
	Class A Distributing Hedged (AU\$)	8.33	8.85	–	–
	Class A Distributing Hedged (NZ\$)	8.42	8.88	–	–
	Class A Distributing Hedged (RMB)	86.97	90.21	–	–

BEA UNION INVESTMENT SERIES

PERFORMANCE REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Performance table (continued)

(c) Net asset value per unit (continued)

Sub-funds	Class of units	As at 31 December 2016	As at 31 December 2015	As at 31 December 2014	As at 31 December 2013
BEA Union Investment Global Flexi Allocation Fund	Class A Distributing (HK\$)	102.57	–	–	–
	Class A Distributing (US\$)	10.31	–	–	–
BEA Union Investment China High Yield Income Fund	Class A Distributing (HK\$)	104.51	–	–	–
	Class A Distributing (US\$)	10.45	–	–	–
	Class A Distributing Hedged (AU\$)	10.38	–	–	–
	Class A Distributing Hedged (RMB)	104.25	–	–	–

BEA UNION INVESTMENT SERIES

PERFORMANCE REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Performance table (continued)

(d) Fund Expense Ratio ("FER")

Sub-funds ⁽¹⁾	FER for the year ended 31 December 2016
BEA Union Investment Global Themes Fund – Class A	2.08%
BEA Union Investment Global Resources Fund – Class A	1.04%
BEA Union Investment Asian Bond and Currency Fund – Class A Accumulating	1.18%
– Class A Distributing	1.18%
– Class A Distributing Hedged (AU\$)	1.18%
– Class A Distributing Hedged (RMB)	1.18%
– Class H Distributing Hedged (HK\$)	1.18%
BEA Union Investment China A-Share Equity Fund – Class A	2.27%
– Class I	1.99%
– Class P	2.24%
BEA Union Investment Asia Pacific Multi Income Fund – Class A Accumulating	1.41%
– Class A Distributing	1.41%
– Class A Distributing (HK\$)	1.41%
– Class A Distributing Hedged (AU\$)	1.41%
– Class A Distributing Hedged (NZ\$)	1.41%
– Class A Distributing Hedged (RMB)	1.41%
BEA Union Investment China Phoenix Fund – Class A Accumulating	2.15%
– Class A Accumulating (HK\$)	2.15%
– Class A Accumulating Hedged (RMB)	2.14%

BEA UNION INVESTMENT SERIES

PERFORMANCE REPORT

AS AT 31 DECEMBER 2016 (CONTINUED)

Performance table (continued)

(d) Fund Expense Ratio ("FER") (continued)

Sub-funds ⁽¹⁾	FER for the year ended 31 December 2016
BEA Union Investment RMB Core Bond Fund – Class A Distributing	1.28%
– Class A Distributing (HK\$)	1.27%
– Class A Distributing (RMB)	1.28%
BEA Union Investment Asia Pacific Flexi Allocation Fund – Class A Accumulating	1.83%
– Class A Distributing	1.82%
– Class A Distributing (HK\$)	1.82%
– Class A Distributing Hedged (AU\$)	1.82%
– Class A Distributing Hedged (NZ\$)	1.82%
– Class A Distributing Hedged (RMB)	1.82%
BEA Union Investment Global Flexi Allocation Fund ⁽²⁾ – Class A Distributing	2.07%
– Class A Distributing (HK\$)	2.08%
BEA Union Investment China High Yield Income Fund ⁽²⁾ – Class A Distributing	1.50%
– Class A Distributing (HK\$)	1.50%
– Class A Distributing Hedged (AU\$)	1.49%
– Class A Distributing Hedged (RMB)	1.50%

⁽¹⁾ The authorisation of BEA Union Investment Japan Growth Fund and BEA Union Investment Four Seasons Fund was withdrawn from the Hong Kong Securities and Futures Commission.

⁽²⁾ BEA Union Investment Global Flexi Allocation Fund and BEA Union Investment China High Yield Income Fund were launched on 27 January 2016 and 22 April 2016 respectively. The FER of both sub-funds have been annualised.

BEA UNION INVESTMENT SERIES

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF BEA UNION INVESTMENT SERIES ("THE FUND")

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of the sub-funds within the Fund ("the Sub-funds") set out on pages 57 to 130, which comprise the statement of assets and liabilities as at 31 December 2016, the statement of comprehensive income, the statement of changes in net assets attributable to unitholders, the cash flow statement and the distribution 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 disposition of the Sub-funds as at 31 December 2016 and of their financial transactions and 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 ("HKSAs") 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 SERIES

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF BEA UNION INVESTMENT SERIES ("THE FUND") (CONTINUED)

Report on the Audit of Financial Statements (continued)

Responsibilities of the Manager and the Trustee of the Fund for the Financial Statements

The Manager and the Trustee of the Fund are responsible for the preparation of the 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 of the Fund 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 provisions of the Trust Deed of the Fund, as amended, and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds ("the SFC Code") issued by the Hong Kong Securities and Futures Commission.

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, as a body, 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 HKSAs 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 provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

BEA UNION INVESTMENT SERIES

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF BEA UNION INVESTMENT SERIES ("THE FUND") (CONTINUED)

Report on the Audit of 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.

BEA UNION INVESTMENT SERIES

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF BEA UNION INVESTMENT SERIES ("THE FUND") (CONTINUED)

Report on the Audit of Financial Statements (continued)

Report on matters under the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

KPMG
Certified Public Accountants

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

13 April 2017

BEA UNION INVESTMENT SERIES

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016

Note	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽¹⁾		BEA Union Investment Global Flexi Allocation Fund ⁽²⁾	BEA Union Investment China High Yield Income Fund ⁽³⁾	
	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 RMB	2015 RMB	2016 US\$	2015 US\$	2016 US\$	2016 US\$	
Income																							
Dividend income	-	-	235,620	194,922	39,013	50,418	-	-	1,640	1,962	696,134	595,840	7,200,445	7,507,071	503,758	711,994	879,457	797,017	2,531,763	2,656,241	200,269	-	
Interest on bank deposits	-	-	80	3	1	-	-	2,992	-	-	2,070	7,724	37,189	27,330	23	33	5,407	16,806	11,993	11,854	232	532	
Other income	3,019	6,682	7,221	-	-	-	-	148,279	-	-	-	-	227,585	61,089	4,907	15,847	160,000	148,404	128,675	143,947	10,555	7,650	
	3,019	6,682	242,921	194,925	39,014	50,418	151,271	53,703	1,640	1,962	698,204	603,564	7,465,219	7,595,490	508,688	727,874	1,044,864	962,227	2,672,431	2,812,042	211,056	8,182	
Expenses																							
Investment management fees	7(c)	5,913	13,264	139,233	182,431	-	24,461	1,825,407	1,079,973	-	-	613,343	708,180	3,529,513	3,033,362	373,788	454,664	1,761,097	4,055,786	1,007,280	1,184,497	143,953	272,340
Trustee's fees	7(d)	493	1,105	16,240	21,284	2,687	3,895	228,176	134,997	216	280	70,037	79,691	441,189	379,170	37,379	45,466	220,137	543,830	100,728	118,450	14,395	34,042
Safe custody and bank charges		30	34	4,921	9,873	813	1,778	23,262	13,947	77	187	48,119	68,000	52,563	41,174	16,968	30,714	23,998	69,699	31,108	34,492	6,870	5,312
Auditors' remuneration		9,838	9,841	9,838	9,841	9,838	9,841	9,838	9,841	9,838	9,841	21,537	31,624	9,838	9,841	9,838	9,841	68,499	64,642	9,838	9,738	9,735	9,735
Registrar's fees	7(e)	197	442	4,641	6,081	768	1,113	54,881	43,700	62	80	20,011	22,681	71,619	65,417	10,680	12,990	88,055	197,360	32,134	35,189	4,798	11,348
Printing and publication expenses		3	-	362	963	61	568	5,285	7,955	1	-	1,549	4,294	10,704	11,280	3,034	2,356	11,395	27,743	2,875	3,995	275	2,313
Regulatory fees		-	-	580	597	-	584	3,580	758	-	-	580	659	3,579	1,019	580	3,779	4,062	580	3,942	3,580	-	-
Pre-operating expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,293	11,204	9,436
Legal and professional fees		-	-	5,391	1,291	-	8	4,514	6,429	-	-	29,650	5,009	4,295	858	2,730	1,007	31,321	2,074	10,164	10,447	3,728	-
Transaction costs		-	-	47,913	41,009	1,404	5,477	4,173	-	-	42	201,757	586,750	1,759,944	652,738	227,705	642,395	-	-	632,927	1,210,850	35,707	-
Interest on borrowings		-	-	107	11	16	1	64	5	-	-	3,633	40,788	444	-	34,396	145,814	467	-	54,957	23,260	9,530	294
Other operating expenses		1,833	-	1,833	7	1,833	1	1,834	-	1,833	-	-	-	1,834	-	1,833	-	12,597	-	1,834	-	833	833
		18,307	24,686	231,059	273,388	17,420	47,727	2,161,014	1,297,605	12,027	10,430	1,012,049	1,547,676	5,885,522	4,194,859	718,931	1,345,872	2,221,345	4,965,196	1,884,425	2,663,153	244,608	345,653
Net (losses)/gains for the year/period before net (losses)/gains on investments and foreign exchange		(15,288)	(18,004)	11,862	(78,463)	21,594	2,691	(2,009,743)	(1,243,902)	(10,387)	(8,468)	(313,845)	(944,112)	1,579,697	3,400,631	(210,243)	(617,998)	(1,176,481)	(4,002,969)	788,006	148,889	(33,552)	(337,471)
Net (losses)/gains on investments and foreign exchange																							
Net realised gains/(losses) on investments		10,858	301,933	(121,558)	2,780,838	65,600	(15,289)	14,073,355	5,421,409	-	(1,283)	(4,015,235)	4,036,947	8,414,932	2,014,912	(3,840,675)	(8,474,316)	6,747,457	10,241,845	(389,657)	(5,282,003)	548,579	2,016,417
Net movement in unrealised (losses)/gains on investments		(38,541)	(156,425)	282,986	(2,441,045)	222,424	(165,116)	6,212,503	734,651	(2,873)	(1,836)	(952,157)	(9,176,860)	5,325,292	(1,285,065)	2,311,616	(3,943,148)	6,090,010	4,748,239	769,811	(79,796)	225,859	569,567
Exchange (losses)/gains		(176)	355	(96,478)	(215,053)	(95,640)	(125,161)	(485,970)	(57,404)	(1,661)	(7,953)	(2,478,619)	(2,756,281)	(1,112,973)	(6,036,495)	(100,107)	(110,413)	1,255,425	3,001,002	(509,288)	(3,338,997)	(89,567)	(14,711)
		(27,859)	145,863	64,950	124,740	192,384	(305,566)	19,799,888	6,098,656	(4,534)	(11,072)	(7,446,011)	(7,896,194)	12,627,251	(5,306,648)	(1,629,166)	(12,527,877)	14,092,892	17,991,086	(129,134)	(8,700,796)	684,871	2,571,273
(Loss)/profit before finance costs		(43,147)	127,859	76,812	46,277	213,978	(302,875)	17,790,145	4,854,754	(14,921)	(19,540)	(7,759,856)	(8,840,306)	14,206,948	(1,906,017)	(1,839,409)	(13,145,875)	12,916,411	13,988,117	658,872	(8,551,907)	651,319	2,233,802
Distribution to unitholders		-	-	-	-	-	-	(7,195,512)	(5,287,735)	-	-	-	-	(20,158,269)	(17,695,100)	-	-	(8,874,327)	(24,245,000)	(2,781,015)	(3,439,692)	(342,920)	(1,176,255)
(Loss)/profit before taxation		(43,147)	127,859	76,812	46,277	213,978	(302,875)	10,594,633	(432,981)	(14,921)	(19,540)	(7,759,856)	(8,840,306)	(5,951,321)	(19,601,117)	(1,839,409)	(13,145,875)	4,042,084	(10,256,883)	(2,122,143)	(11,991,599)	308,399	1,057,547
Taxation	8	-	-	(44,469)	(39,133)	(3,835)	(10,137)	(21,306)	(1,167)	-	-	811,407	(60,751)	(853,721)	(303,926)	(40,307)	(53,409)	-	-	(349,156)	(175,826)	(29,524)	-
(Loss)/profit and total comprehensive income for the year/period		(43,147)	127,859	32,343	7,144	210,143	(313,012)	10,573,327	(434,148)	(14,921)	(19,540)	(6,948,449)	(8,901,057)	(6,805,042)	(19,905,043)	(1,879,716)	(139,199,284)	4,042,084	(10,256,883)	(2,471,299)	(12,167,425)	278,875	1,057,547

⁽¹⁾ The date of commencement for BEA Union Investment Asia Pacific Flexi Allocation Fund was 6 February 2015.

⁽²⁾ The date of commencement for BEA Union Investment Global Flexi Allocation Fund was 27 January 2016.

⁽³⁾ The date of commencement for BEA Union Investment China High Yield Income Fund was 22 April 2016.

The notes on pages 76 to 130 form part of these financial statements.

BEA UNION INVESTMENT SERIES

STATEMENT OF ASSETS AND LIABILITIES

AT 31 DECEMBER 2016

	Note	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽¹⁾		BEA Union Investment Global Flexi Allocation Fund ⁽²⁾	BEA Union Investment China High Yield Income Fund ⁽³⁾
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	RMB	RMB	US\$	US\$	US\$	US\$
Assets																							
Investments	4, 13	379,212	460,089	9,139,663	9,621,527	1,336,086	1,542,694	239,944,787	103,010,557	28,213	31,763	37,265,137	46,986,399	301,124,742	254,831,199	19,568,962	27,079,027	95,432,266	231,093,799	46,654,057	85,171,941	11,543,774	31,345,176
Amounts receivable from foreign currency forward contracts		-	-	-	-	-	-	-	-	-	-	-	-	37,517	-	-	-	-	-	8,437	-	-	-
Dividend receivables		-	-	13,032	2,547	509	614	-	-	-	-	-	-	824,269	1,303,861	5,325	-	-	-	58,510	-	10,726	-
Amounts receivable from sale of investments		-	-	-	-	-	-	1,679,441	-	-	-	-	-	27,241,223	-	214,562	-	1,097,593	-	2,026,490	-	716	-
Amounts receivable on subscription		-	-	-	-	-	-	485,659	330,862	-	-	-	-	489,652	1,236,582	-	-	-	-	-	705,809	-	168,365
Other receivables		163	195	654	-	-	-	-	-	-	-	25,430	34,540	3,063	614	258	1,245	6,411	18,215	6,774	14,224	881	-
Amounts due from brokers		-	-	-	-	-	-	-	-	-	-	161,763	345,057	-	-	4,793	251,800	-	-	656,632	1,478,996	56,315	-
Bank balances		7,604	2,157	100,666	83,962	5,550	76,449	12,794,251	3,096,050	93,055	106,557	727,410	1,857,678	48,362,658	4,610,287	104,589	1,374	5,338,713	10,122,646	1,265	1,985,241	2,191	1,304,851
Total assets		386,979	462,441	9,254,015	9,708,036	1,342,145	1,619,757	254,904,138	106,437,469	121,268	138,320	38,179,740	49,223,674	378,083,124	261,982,543	19,898,489	27,333,446	100,777,390	242,332,253	49,412,165	89,356,211	11,614,603	32,818,392
Liabilities																							
Amounts payable on redemption		-	-	-	-	-	-	6,024,758	364,725	-	-	257,831	406,859	869,136	1,033,485	86,250	11,624	572,219	5,424,536	-	20,524	258	16,490
Amounts payable on foreign currency forward contracts		-	-	-	-	-	-	145,185	205	-	-	-	-	20,957	5,165	43	24,843	1,364,225	-	9,312	-	9,580	-
Amounts payable for purchase of investments		-	-	-	-	-	-	1,676,314	-	-	-	-	-	31,887,576	-	229,654	-	1,096,282	-	220,390	717	-	-
Taxation	8	-	-	-	382	-	61	-	-	-	-	-	934,978	-	-	-	-	-	-	-	-	-	-
Accruals and other payables		11,107	10,380	28,007	24,112	10,925	10,066	259,731	116,372	10,601	9,775	83,371	109,857	417,278	317,440	45,171	55,250	178,598	310,300	79,413	138,253	28,703	49,521
Bank overdraft	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	92,237	1,105,344	-	-	3,774,657	-	1,408,575	-
Total liabilities (excluding net assets attributable to unitholders)		11,107	10,380	28,007	24,494	10,925	10,127	8,105,988	481,302	10,601	9,775	341,202	1,451,694	33,173,990	1,371,882	458,477	1,172,261	775,660	8,195,343	3,854,070	388,479	1,438,253	75,591
Net assets attributable to unitholders																							
Financial liabilities	6	-	-	-	-	-	-	246,798,150	105,956,167	-	-	37,838,538	47,771,980	344,909,134	260,610,661	19,440,012	26,161,185	100,001,730	234,136,910	45,558,095	88,967,732	10,176,350	32,742,801
Equity	6	375,872	452,061	9,226,008	9,683,542	1,331,220	1,609,630	-	-	110,667	128,545	-	-	-	-	-	-	-	-	-	-	-	-
Number of units in issue – Class A	5(a)	47,300.33	51,430.53	831,461.45	876,090.05	1,725,357.54	2,393,236.10	-	-	16,479.67	16,870.86	133,330.96	615,629.32	-	-	-	-	-	-	-	-	-	-
Net asset value per unit⁽⁴⁾ – Class A	5(b)	\$ 7.94	\$ 8.78	\$ 11.09	\$ 11.05	\$ 0.77	\$ 0.67	\$ -	\$ -	\$ 6.71	\$ 7.61	\$ 9.59	\$ 11.23	\$ -	\$ -	\$ -	\$ -	¥ -	¥ -	\$ -	\$ -	\$ -	\$ -
Number of units in issue – Class A Accumulating	5(a)	-	-	-	-	-	-	4,563,332.12	1,069,205.16	-	-	-	-	441,503.73	382,142.74	747,278.74	896,103.79	-	-	271,642.32	207,070.33	-	-
Net asset value per unit⁽⁴⁾ – Class A Accumulating	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21.40	\$ 18.76	\$ -	\$ -	\$ -	\$ -	\$ 12.17	\$ 11.44	\$ 7.93	\$ 8.48	¥ -	¥ -	\$ 9.26	\$ 9.24	\$ -	\$ -
Number of units in issue – Class A Accumulating (HK\$)	5(a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,173,782.84	1,507,693.38	-	-	-	-	-	-
Net asset value per unit⁽⁴⁾ – Class A Accumulating (HK\$)	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10.21	\$ 10.92	¥ -	¥ -	\$ -	\$ -	\$ -	\$ -
Number of units in issue – Class A Accumulating Hedged (RMB)	5(a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	132,820.04	162,387.74	-	-	-	-	-	-
Net asset value per unit⁽⁴⁾ – Class A Accumulating Hedged (RMB)	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11.47	\$ 12.81	¥ -	¥ -	\$ -	\$ -	\$ -	\$ -
Number of units in issue – Class A Distributing	5(a)	-	-	-	-	-	-	4,708,385.02	4,068,100.24	-	-	-	-	8,356,247.45	6,262,695.62	-	-	366,928.63	1,003,107.03	2,405,046.19	3,730,283.99	874,234.32	1,757,523.25
Net asset value per unit⁽⁴⁾ – Class A Distributing	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14.00	\$ 12.97	\$ -	\$ -	\$ -	\$ -	\$ 10.40	\$ 10.42	\$ -	\$ -	¥ 60.01	¥ 59.24	\$ 8.66	\$ 8.95	\$ 10.31	\$ 10.45

BEA UNION INVESTMENT SERIES

STATEMENT OF ASSETS AND LIABILITIES

AT 31 DECEMBER 2016 (CONTINUED)

	Note	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽¹⁾		BEA Union Investment Global Flexi Allocation Fund ⁽²⁾	BEA Union Investment China High Yield Income Fund ⁽³⁾
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2016
		US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Number of units in issue – Class A Distributing (HK\$)	5(a)	-	-	-	-	-	-	-	-	-	-	-	-	11,155,144.57	8,503,239.35	-	-	484,399.55	1,368,347.79	1,266,577.14	2,207,344.82	87,867.69	758,687.28
Net asset value per unit ⁽⁴⁾ – Class A Distributing (HK\$)	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13.39	\$ 13.42	\$ -	\$ -	¥ 77.25	¥ 76.30	\$ 11.17	\$ 11.55	\$ 13.23	\$ 13.47
Number of units in issue – Class A Distributing (RMB)	5(a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	411,167.42	724,587.84	-	-	-	-
Net asset value per unit ⁽⁴⁾ – Class A Distributing (RMB)	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	¥ 98.64	¥ 97.01	\$ -	\$ -	\$ -	\$ -
Number of units in issue – Class A Distributing Hedged (AUS)	5(a)	-	-	-	-	-	-	134,850.10	126,832.82	-	-	-	-	5,959,042.47	4,052,351.03	-	-	-	-	569,974.94	1,006,419.17	-	92,301.11
Net asset value per unit ⁽⁴⁾ – Class A Distributing Hedged (AUS)	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7.72	\$ 7.20	\$ -	\$ -	\$ -	\$ -	\$ 6.49	\$ 6.70	\$ -	\$ -	¥ -	¥ -	\$ 6.03	\$ 6.44	\$ -	\$ 7.52
Number of units in issue – Class A Distributing Hedged (NZ\$)	5(a)	-	-	-	-	-	-	-	-	-	-	-	-	1,868,085.74	684,688.75	-	-	-	-	198,168.96	371,881.11	-	-
Net asset value per unit ⁽⁴⁾ – Class A Distributing Hedged (NZ\$)	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6.30	\$ 6.40	\$ -	\$ -	¥ -	¥ -	\$ 5.87	\$ 6.08	\$ -	\$ -
Number of units in issue – Class A Distributing Hedged (RMB)	5(a)	-	-	-	-	-	-	2,616,977.71	207,604.64	-	-	-	-	3,951,095.94	3,190,907.52	-	-	-	-	276,770.36	1,412,823.97	-	230,251.10
Net asset value per unit ⁽⁴⁾ – Class A Distributing Hedged (RMB)	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15.55	\$ 15.32	\$ -	\$ -	\$ -	\$ -	\$ 13.31	\$ 14.17	\$ -	\$ -	¥ -	¥ -	\$ 12.48	\$ 13.73	\$ -	\$ 14.96
Number of units in issue – Class H Distributing (HK\$)	5(a)	-	-	-	-	-	-	28,711,011.93	21,696,632.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net asset value per unit ⁽⁴⁾ – Class H Distributing (HK\$)	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.44	\$ 1.33	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	¥ -	¥ -	\$ -	\$ -	\$ -	\$ -
Number of units in issue – Class I	5(a)	-	-	-	-	-	-	-	-	-	-	2,972,983.80	2,811,827.96	-	-	-	-	-	-	-	-	-	-
Net asset value per unit ⁽⁴⁾ – Class I	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11.83	\$ 13.84	\$ -	\$ -	\$ -	\$ -	¥ -	¥ -	\$ -	\$ -	\$ -	\$ -
Number of units in issue – Class P	5(a)	-	-	-	-	-	-	-	-	-	-	117,330.54	141,961.08	-	-	-	-	-	-	-	-	-	-
Net asset value per unit ⁽⁴⁾ – Class P	5(b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11.64	\$ 13.65	\$ -	\$ -	\$ -	\$ -	¥ -	¥ -	\$ -	\$ -	\$ -	\$ -

⁽¹⁾ The date of commencement for BEA Union Investment Asia Pacific Flexi Allocation Fund was 6 February 2015.

⁽²⁾ The date of commencement for BEA Union Investment Global Flexi Allocation Fund was 27 January 2016.

⁽³⁾ The date of commencement for BEA Union Investment China High Yield Income Fund was 22 April 2016.

⁽⁴⁾ The net asset value per unit is rounded down to 2 decimal places in accordance with the Explanatory Memorandum.

Approved and authorised for issue by the Trustee and the Manager on 13 April 2017

)
) 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
)

The notes on pages 76 to 130 form part of these financial statements.

BEA UNION INVESTMENT SERIES

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽¹⁾		BEA Union Investment Global Flexi Allocation Fund ⁽²⁾	BEA Union Investment China High Yield Income Fund ⁽³⁾
	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 RMB	2015 RMB	2016 US\$	2015 US\$	2016 US\$	2015 US\$
Balance at 1 January/date of commencement	452,061	1,315,817	9,683,542	18,334,740	1,609,630	2,865,812	105,956,167	134,251,089	128,545	245,925	47,771,980	40,000,544	260,610,661	273,704,754	26,161,185	18,137,272	234,136,910	769,280,318	88,967,732	-	-	-
Transactions with owners recorded directly in equity/transaction with unitholders																						
Subscription of units during the year/period	-	-	292,812	783,239	13,091	121,004	220,070,861	52,096,079	-	-	4,387,257	33,625,117	328,067,093	179,869,219	3,113,041	51,202,658	39,077,762	26,772,210	15,138,048	160,211,893	13,772,972	42,611,754
Redemption of units during the year/period	(33,042)	(991,615)	(782,689)	(9,441,581)	(501,644)	(1,064,174)	(89,802,205)	(79,956,853)	(2,957)	(97,840)	(7,372,250)	(16,952,624)	(236,963,578)	(173,058,269)	(7,954,498)	(29,979,461)	(177,255,026)	(551,658,735)	(56,076,386)	(59,076,736)	(3,875,497)	(10,926,500)
Total transactions with owners/unitholders	(33,042)	(991,615)	(489,877)	(8,658,342)	(488,553)	(943,170)	130,268,656	(27,860,774)	(2,957)	(97,840)	(2,984,993)	16,672,493	91,103,515	6,810,950	(4,841,457)	21,223,197	(138,177,264)	(524,886,525)	(40,938,338)	101,135,157	9,897,475	31,685,254
(Loss)/profit and total comprehensive income for the year/period	(43,147)	127,859	32,343	7,144	210,143	(313,012)	10,573,327	(434,148)	(14,921)	(19,540)	(6,948,449)	(8,901,057)	(6,805,042)	(19,905,043)	(1,879,716)	(13,199,284)	4,042,084	(10,256,883)	(2,471,299)	(12,167,425)	278,875	1,057,547
Balance at 31 December	375,872	452,061	9,226,008	9,683,542	1,331,220	1,609,630	246,798,150	105,956,167	110,667	128,545	37,838,538	47,771,980	344,909,134	260,610,661	19,440,012	26,161,185	100,001,730	234,136,910	45,558,095	88,967,732	10,176,350	32,742,801

⁽¹⁾ The date of commencement for BEA Union Investment Asia Pacific Flexi Allocation Fund was 6 February 2015.

⁽²⁾ The date of commencement for BEA Union Investment Global Flexi Allocation Fund was 27 January 2016.

⁽³⁾ The date of commencement for BEA Union Investment China High Yield Income Fund was 22 April 2016.

The notes on pages 76 to 130 form part of these financial statements.

BEA UNION INVESTMENT SERIES

CASH FLOW STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽¹⁾		BEA Union Investment Global Flexi Allocation Fund ⁽²⁾	BEA Union Investment China High Yield Income Fund ⁽³⁾
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	RMB	RMB	US\$	US\$	US\$	US\$
Operating activities																						
(Loss)/profit before taxation	(43,147)	127,859	76,812	46,277	213,978	(302,875)	10,594,633	(432,981)	(14,921)	(19,540)	(7,759,856)	(8,840,306)	(5,951,321)	(19,601,117)	(1,839,409)	(13,145,875)	4,042,084	(10,256,883)	(2,122,143)	(11,991,599)	308,399	1,057,547
Net realised (gains)/losses on sale of investments	(10,858)	(301,933)	121,558	(2,780,838)	(65,600)	15,289	(14,094,661)	(5,422,576)	-	1,283	4,015,235	(4,036,947)	(8,414,932)	(2,014,912)	3,840,675	8,474,316	(6,747,457)	(10,241,845)	389,657	5,282,003	(548,579)	(2,016,417)
Net movement in unrealised losses/(gains) on investments	38,541	156,425	(282,986)	2,441,045	(222,424)	165,116	(6,212,503)	(734,651)	2,873	1,836	952,157	9,176,860	(5,325,292)	1,285,065	(2,311,616)	3,943,148	(6,090,010)	(4,748,239)	(769,811)	79,796	(225,859)	(569,567)
Interest on bank deposits	-	-	(80)	(3)	(1)	-	(2,992)	(2,214)	-	-	(2,070)	(7,724)	(37,189)	(27,330)	(23)	(33)	(5,407)	(16,806)	(11,993)	(11,854)	(232)	(532)
Dividend income	-	-	(235,620)	(194,922)	(39,013)	(50,418)	-	-	(1,640)	(1,962)	(696,134)	(595,840)	(7,200,445)	(7,507,071)	(503,758)	(711,994)	(879,457)	(797,017)	(2,531,763)	(2,656,241)	(200,269)	-
Exchange losses/(gains) on investments	207	(391)	79,476	168,196	93,727	119,870	219,462	(31,888)	677	3,084	2,416,046	2,584,716	1,079,409	5,176,180	79,424	100,768	(1,061,777)	(3,168,639)	281,777	2,960,768	85,693	-
Distribution to unitholders	-	-	-	-	-	-	7,195,512	5,287,735	-	-	-	-	20,158,269	17,695,100	-	-	8,874,327	24,245,000	2,781,015	3,439,692	342,920	1,176,255
Decrease/(increase) in other receivables	32	366	(654)	-	-	-	-	-	-	-	9,110	8,162	(2,449)	(614)	987	(93)	11,804	(18,215)	7,450	(14,224)	(881)	-
Decrease/(increase) in amounts due from brokers	-	-	-	-	-	-	-	-	-	-	183,294	(345,057)	-	-	247,007	(251,800)	-	-	822,364	(1,478,996)	(56,315)	-
Increase/(decrease) in accruals and other payables	727	(1,055)	3,895	(13,142)	859	(4,064)	143,359	(31,097)	826	172	(79,403)	5,563	99,838	(11,151)	(10,079)	10,407	(131,702)	(360,397)	(58,840)	138,253	28,703	49,521
(Decrease)/increase in bank overdraft	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,013,107)	1,105,344	-	-	3,774,657	-	1,408,575	-
Net cash (outflow)/inflow from operating activities	(14,498)	(18,729)	(237,599)	(333,387)	(18,474)	(57,082)	(2,157,190)	(1,367,672)	(12,185)	(15,127)	(961,621)	(2,050,573)	(5,594,112)	(5,005,850)	(1,509,899)	(475,812)	(1,987,595)	(5,363,041)	2,562,370	(4,252,402)	1,142,155	(303,193)
Investing activities																						
Purchase of investments	-	-	(25,487,215)	(20,273,045)	(795,645)	(1,080,659)	(547,852,815)	(285,024,145)	-	-	(38,249,480)	(136,934,023)	(657,384,391)	(379,139,964)	(40,803,188)	(125,723,486)	(156,806,268)	(589,434,417)	(184,202,346)	(326,901,523)	(30,787,768)	(89,544,027)
Sale of investments	52,987	996,100	26,051,031	28,847,285	1,196,550	2,059,230	433,026,843	314,639,035	17,750	40,245,669	122,123,774	630,778,987	374,608,443	46,699,842	107,491,506	306,668,961	1,158,165,000	220,980,342	232,883,380	19,972,739	61,018,131	
Settlement of foreign currency forward contracts	-	-	-	(38,001)	-	-	(1,900,009)	(136,639)	-	-	-	(2,439,445)	(4,006,851)	(52,763)	(108,967)	(1,639,987)	687,821	(264,710)	(1,241,209)	-	(223,716)	
Interest received from bank deposits	-	-	80	3	1	-	2,992	2,214	-	1,947	7,083	37,189	27,330	23	33	5,407	16,806	11,993	11,854	232	532	
Dividend received, net of withholding tax	-	-	180,284	164,962	35,222	41,043	-	-	1,640	1,962	625,603	535,743	6,826,316	6,224,812	458,126	660,434	879,457	797,017	2,124,097	2,480,415	160,019	-
Settlement of index future contracts	-	-	-	-	-	-	-	-	-	-	341,635	(75,352)	-	-	77,905	(145,368)	-	-	(161,654)	1,994,546	(39,999)	-
Net cash inflow/(outflow) from investing activities	52,987	996,100	744,180	8,701,204	436,128	1,019,614	(116,722,989)	29,480,465	1,640	19,712	2,965,374	(14,342,775)	(22,181,344)	(2,286,230)	6,379,945	(17,825,848)	149,107,570	570,232,227	38,487,722	(90,772,537)	(10,694,777)	(28,749,080)
Financing activities																						
Proceeds on subscription of units	-	-	292,812	783,239	13,091	121,004	219,916,064	51,841,915	-	-	4,387,257	33,625,117	328,814,023	181,806,727	3,113,041	51,241,720	39,077,762	27,208,269	15,843,857	159,506,084	13,772,972	42,443,389
Payments on redemption of units	(33,042)	(991,615)	(782,689)	(9,451,697)	(501,644)	(1,121,218)	(84,142,172)	(81,286,659)	(2,957)	(97,840)	(7,521,278)	(16,589,406)	(237,127,927)	(173,329,906)	(7,879,872)	(33,301,026)	(182,107,343)	(563,176,711)	(56,096,910)	(59,056,212)	(3,875,239)	(10,910,010)
Payments on distribution	-	-	-	-	-	-	(7,195,512)	(5,287,735)	-	-	-	(20,158,269)	(17,695,100)	-	-	(8,874,327)	(24,245,000)	(2,781,015)	(3,439,692)	(342,920)	(1,176,255)	
Net cash (outflow)/inflow from financing activities	(33,042)	(991,615)	(489,877)	(8,668,458)	(488,553)	(1,000,214)	128,578,380	(34,732,479)	(2,957)	(97,840)	(3,134,021)	17,035,711	71,527,827	(9,218,279)	(4,766,831)	17,940,694	(151,903,908)	(560,213,442)	(43,034,068)	97,010,180	9,554,813	30,357,124
Net increase/(decrease) in cash and cash equivalents	5,447	(14,244)	16,704	(300,641)	(70,899)	(37,682)	9,698,201	(6,619,686)	(13,502)	(93,255)	(1,130,268)	642,363	43,752,371	(16,510,359)	103,215	(360,966)	(4,783,933)	4,655,744	(1,983,976)	1,985,241	2,191	1,304,851
Cash and cash equivalents at the beginning of the year/period	2,157	16,401	83,962	384,603	76,449	114,131	3,096,050	9,715,736	106,557	199,812	1,857,678	1,215,315	4,610,287	21,120,646	1,374	362,340	10,122,646	5,466,902	1,985,241	-	-	-
Cash and cash equivalents at the end of the year/period	7,604	2,157	100,666	83,962	5,550	76,449	12,794,251	3,096,050	93,055	106,557	727,410	1,857,678	48,362,658	4,610,287	104,589	1,374	5,338,713	10,122,646	1,265	1,985,241	2,191	1,304,851

⁽¹⁾ The date of commencement for BEA Union Investment Asia Pacific Flexi Allocation Fund was 6 February 2015.

⁽²⁾ The date of commencement for BEA Union Investment Global Flexi Allocation Fund was 27 January 2016.

⁽³⁾ The date of commencement for BEA Union Investment China High Yield Income Fund was 22 April 2016.

The notes on pages 76 to 130 form part of these financial statements.

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016

	BEA Union Investment Asian Bond and Currency Fund	
	2016 US\$	2015 US\$
Amount available for distribution to unitholders at the beginning of the year	13,011,784	11,809,700
Profit for the year available for distribution	9,754,190	6,489,819
Distributions to unitholders	<u>(7,195,512)</u>	<u>(5,287,735)</u>
Undistributed income carried forward	<u>15,570,462</u>	<u>13,011,784</u>

Distribution history:

Class A (Distributing) (US\$)

0.06765 per unit on 3,456,557.42 units on 15 January 2015	-	233,836
0.05488 per unit on 3,704,991.03 units on 16 February 2015	-	203,330
0.06036 per unit on 3,760,647.71 units on 16 March 2015	-	226,993
0.06100 per unit on 3,481,636.80 units on 15 April 2015	-	212,380
0.06635 per unit on 3,824,733.30 units on 15 May 2015	-	253,771
0.06720 per unit on 4,001,082.34 units on 15 June 2015	-	268,873
0.06685 per unit on 3,975,529.77 units on 15 July 2015	-	265,764
0.06655 per unit on 3,992,816.84 units on 17 August 2015	-	265,722
0.06655 per unit on 4,015,535.63 units on 15 September 2015	-	267,234
0.06495 per unit on 4,134,734.73 units on 15 October 2015	-	268,551
0.06380 per unit on 4,130,007.11 units on 16 November 2015	-	263,494
0.06605 per unit on 4,048,883.83 units on 15 December 2015	-	267,429
0.06570 per unit on 4,166,655.51 units on 15 January 2016	273,749	-
0.05968 per unit on 4,202,770.21 units on 15 February 2016	250,821	-
0.05922 per unit on 4,263,909.76 units on 15 March 2016	252,509	-
0.05963 per unit on 4,393,064.45 units on 15 April 2016	261,959	-
0.06105 per unit on 4,339,623.99 units on 16 May 2016	264,934	-
0.06270 per unit on 4,348,825.20 units on 15 June 2016	272,671	-
0.06293 per unit on 4,329,620.54 units on 15 July 2016	272,463	-
0.06380 per unit on 4,592,021.87 units on 15 August 2016	292,971	-
0.06495 per unit on 4,771,656.44 units on 15 September 2016	309,919	-
0.06508 per unit on 4,921,674.61 units on 17 October 2016	320,303	-
0.06527 per unit on 4,968,005.57 units on 15 November 2016	324,262	-
0.06536 per unit on 4,729,623.58 units on 15 December 2016	309,128	-
	<u>3,405,689</u>	<u>2,997,377</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

	BEA Union Investment Asian Bond and Currency Fund	
	2016 US\$	2015 US\$

Distribution history: (continued)

Class A (Distributing) (Hedged) (AU\$)

0.05095 per unit on 161,121.65 units on 15 January 2015	-	6,698
0.04469 per unit on 161,121.65 units on 16 February 2015	-	5,598
0.04809 per unit on 161,121.65 units on 16 March 2015	-	5,912
0.04867 per unit on 59,205.19 units on 15 April 2015	-	2,203
0.07538 per unit on 44,214.45 units on 15 May 2015	-	2,694
0.07538 per unit on 91,843.10 units on 15 June 2015	-	5,358
0.07495 per unit on 91,843.10 units on 15 July 2015	-	5,127
0.05530 per unit on 91,843.10 units on 17 August 2015	-	3,745
0.03798 per unit on 126,832.84 units on 15 September 2015	-	3,444
0.04815 per unit on 126,832.82 units on 15 October 2015	-	4,435
0.05232 per unit on 126,832.82 units on 16 November 2015	-	4,721
0.05020 per unit on 126,832.82 units on 15 December 2015	-	4,609
0.05397 per unit on 126,832.82 units on 15 January 2016	4,765	-
0.05384 per unit on 132,831.99 units on 15 February 2016	5,064	-
0.05346 per unit on 132,831.99 units on 15 March 2016	5,336	-
0.05384 per unit on 76,410.63 units on 15 April 2016	3,170	-
0.05509 per unit on 84,699.69 units on 16 May 2016	3,393	-
0.05650 per unit on 94,165.26 units on 15 June 2016	3,914	-
0.05677 per unit on 199,786.78 units on 15 July 2016	8,661	-
0.05769 per unit on 244,770.32 units on 15 August 2016	10,866	-
0.05872 per unit on 165,514.84 units on 15 September 2016	7,263	-
0.05861 per unit on 168,050.22 units on 17 October 2016	7,511	-
0.05882 per unit on 126,600.63 units on 15 November 2016	5,606	-
0.05888 per unit on 134,478.36 units on 15 December 2016	5,954	-
	<u>71,503</u>	<u>54,544</u>

Class A (Distributing) (Hedged) (RMB)

0.46300 per unit on 1,155,880.18 units on 15 January 2015	-	8,639
0.44690 per unit on 1,155,880.18 units on 16 February 2015	-	8,275
0.48135 per unit on 111,663.42 units on 16 March 2015	-	8,553
0.48759 per unit on 94,435.94 units on 15 April 2015	-	7,410
0.75728 per unit on 85,232.20 units on 15 May 2015	-	10,405
0.76935 per unit on 86,868.77 units on 15 June 2015	-	10,757
0.76523 per unit on 102,350.39 units on 15 July 2015	-	12,602
0.71860 per unit on 124,061.89 units on 17 August 2015	-	13,819
0.50453 per unit on 127,482.73 units on 15 September 2015	-	10,046
0.46378 per unit on 136,476.35 units on 15 October 2015	-	9,973
0.39301 per unit on 181,352.75 units on 16 November 2015	-	11,121
0.44130 per unit on 204,374.33 units on 15 December 2015	-	13,768
0.30409 per unit on 361,427.33 units on 15 January 2016	16,643	-
0.63169 per unit on 487,950.52 units on 15 February 2016	47,339	-
0.62888 per unit on 543,030.67 units on 15 March 2016	52,586	-
0.63481 per unit on 606,325.87 units on 15 April 2016	59,283	-
0.65013 per unit on 767,977.24 units on 16 May 2016	76,192	-
0.66688 per unit on 1,086,695.25 units on 15 June 2016	109,768	-
0.66969 per unit on 1,469,321.87 units on 15 July 2016	147,040	-
0.67756 per unit on 1,839,378.25 units on 15 August 2016	187,560	-
0.68889 per unit on 2,154,670.72 units on 15 September 2016	222,461	-
0.68950 per unit on 2,859,662.2 units on 17 October 2016	292,817	-
0.68969 per unit on 2,997,664.86 units on 15 November 2016	301,427	-
0.69113 per unit on 2,802,592.95 units on 15 December 2016	280,634	-
	<u>1,793,750</u>	<u>125,368</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

	BEA Union Investment Asian Bond and Currency Fund	
	2016 US\$	2015 US\$
Distribution history: (continued)		
<i>Class H (Distributing) (HK\$)</i>		
0.05404 per unit on 39,229,191.83 units on 15 January 2015	-	273,394
0.04383 per unit on 33,455,279.67 units on 16 February 2015	-	189,081
0.04817 per unit on 31,036,343.44 units on 16 March 2015	-	192,436
0.04872 per unit on 28,839,639.65 units on 15 April 2015	-	181,272
0.05300 per unit on 26,205,447.80 units on 15 May 2015	-	179,199
0.05365 per unit on 24,561,857.25 units on 15 June 2015	-	169,957
0.05335 per unit on 23,697,601.68 units on 15 July 2015	-	163,097
0.05315 per unit on 23,543,761.58 units on 17 August 2015	-	161,343
0.05310 per unit on 22,716,353.90 units on 15 September 2015	-	155,642
0.05185 per unit on 22,382,020.50 units on 15 October 2015	-	149,741
0.05095 per unit on 22,207,613.86 units on 16 November 2015	-	145,974
0.05270 per unit on 21,959,288.15 units on 15 December 2015	-	149,310
0.05250 per unit on 22,439,867.25 units on 15 January 2016	151,334	-
0.04762 per unit on 22,424,683.51 units on 15 February 2016	137,093	-
0.04748 per unit on 23,368,968.74 units on 15 March 2016	143,029	-
0.04780 per unit on 23,035,947.51 units on 15 April 2016	141,947	-
0.04877 per unit on 22,397,139.61 units on 16 May 2016	140,693	-
0.05010 per unit on 23,460,510.66 units on 15 June 2016	151,457	-
0.05037 per unit on 24,203,849.37 units on 15 July 2016	157,209	-
0.05097 per unit on 25,749,161.02 units on 15 August 2016	169,215	-
0.05188 per unit on 26,372,739.45 units on 15 September 2016	176,348	-
0.05202 per unit on 26,967,769.67 units on 17 October 2016	180,810	-
0.05216 per unit on 27,416,496.11 units on 15 November 2016	184,330	-
0.05220 per unit on 28,396,410.13 units on 15 December 2016	191,105	-
	<u>1,924,570</u>	<u>2,110,446</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

	BEA Union Investment Asia Pacific Multi Income Fund	
	2016 US\$	2015 US\$
Amount available for distribution to unitholders at the beginning of the year		
	(517,307)	3,084,096
Profit for the year available for distribution		
	12,960,964	14,093,697
Distributions to unitholders		
	<u>(20,158,269)</u>	<u>(17,695,100)</u>
Undistributed income carried forward		
	<u>(7,714,612)</u>	<u>(517,307)</u>
Distribution history:		
<i>Class A (Distributing) (HK\$)</i>		
0.63000 per unit on 8,138,168.62 units on 15 January 2015	-	668,198
0.55000 per unit on 8,126,237.74 units on 16 February 2015	-	576,320
0.55000 per unit on 7,897,062.73 units on 16 March 2015	-	559,072
0.55000 per unit on 7,474,781.59 units on 15 April 2015	-	530,389
0.61000 per unit on 6,756,847.69 units on 15 May 2015	-	531,791
0.61000 per unit on 6,786,044.51 units on 15 June 2015	-	533,895
0.61000 per unit on 7,230,914.87 units on 15 July 2015	-	569,023
0.61000 per unit on 7,346,314.83 units on 17 August 2015	-	577,790
0.61000 per unit on 7,582,430.18 units on 15 September 2015	-	596,805
0.62000 per unit on 7,692,164.62 units on 15 October 2015	-	615,367
0.61000 per unit on 8,176,646.09 units on 16 November 2015	-	643,480
0.60000 per unit on 8,399,889.84 units on 15 December 2015	-	650,257
0.57000 per unit on 9,062,371.47 units on 15 January 2016	663,551	-
0.54000 per unit on 9,349,293.80 units on 15 February 2016	648,147	-
0.54000 per unit on 9,267,514.23 units on 15 March 2016	645,105	-
0.53000 per unit on 9,351,244.87 units on 15 April 2016	638,908	-
0.54000 per unit on 9,544,229.83 units on 16 May 2016	663,836	-
0.54000 per unit on 9,472,854.60 units on 15 June 2016	659,158	-
0.54000 per unit on 9,119,594.59 units on 15 July 2016	635,025	-
0.54000 per unit on 8,681,569.27 units on 15 August 2016	604,439	-
0.60000 per unit on 9,142,900.23 units on 15 September 2016	707,052	-
0.60000 per unit on 9,929,464.08 units on 17 October 2016	767,861	-
0.60000 per unit on 10,602,876.57 units on 15 November 2016	820,014	-
0.60000 per unit on 11,166,616.66 units on 15 December 2016	863,794	-
	<u>8,316,890</u>	<u>7,052,387</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment
Asia Pacific Multi Income Fund
2016 2015
US\$ US\$

Distribution history: (continued)

Class A (Distributing) (US\$)

0.06300 per unit on 6,928,344.80 units on 15 January 2015	–	436,486
0.05500 per unit on 6,749,968.14 units on 16 February 2015	–	371,248
0.05500 per unit on 6,391,808.07 units on 14 March 2015	–	351,549
0.05500 per unit on 5,970,230.83 units on 15 April 2015	–	328,363
0.06100 per unit on 5,413,886.89 units on 15 May 2015	–	330,247
0.06100 per unit on 5,002,160.76 units on 15 June 2015	–	305,132
0.06100 per unit on 5,362,217.47 units on 15 July 2015	–	327,095
0.06100 per unit on 6,466,511.69 units on 17 August 2015	–	394,457
0.06100 per unit on 6,515,061.65 units on 15 September 2015	–	397,419
0.06200 per unit on 6,332,303.57 units on 15 October 2015	–	392,603
0.06100 per unit on 6,224,198.12 units on 16 November 2015	–	379,676
0.06000 per unit on 6,212,930.98 units on 15 December 2015	–	372,776
0.05700 per unit on 6,702,628.30 units on 15 January 2016	382,050	–
0.05400 per unit on 6,728,803.11 units on 15 February 2016	363,355	–
0.05400 per unit on 6,092,904.97 units on 15 March 2016	329,017	–
0.05300 per unit on 6,115,865.59 units on 15 April 2016	324,141	–
0.05400 per unit on 6,782,478.36 units on 16 May 2016	366,254	–
0.05400 per unit on 6,716,252.96 units on 15 June 2016	362,678	–
0.05400 per unit on 6,690,850.58 units on 15 July 2016	361,306	–
0.05400 per unit on 7,284,167.62 units on 15 August 2016	393,345	–
0.06000 per unit on 7,447,671.21 units on 15 September 2016	446,860	–
0.06000 per unit on 7,618,476.83 units on 17 October 2016	457,109	–
0.06000 per unit on 7,931,883.01 units on 15 November 2016	475,913	–
0.06000 per unit on 8,416,260.56 units on 15 December 2016	504,975	–
	<u>4,767,003</u>	<u>4,387,051</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment
Asia Pacific Multi Income Fund
2016 2015
US\$ US\$

Distribution history: (continued)

Class A (Distributing) (Hedged) (AU\$)

0.06700 per unit on 4,355,512.19 units on 15 January 2015	–	238,095
0.06100 per unit on 4,270,326.65 units on 16 February 2015	–	202,505
0.06100 per unit on 4,049,213.01 units on 16 March 2015	–	188,463
0.06100 per unit on 3,944,809.18 units on 15 April 2015	–	184,012
0.07000 per unit on 3,519,434.31 units on 15 May 2015	–	199,121
0.07000 per unit on 3,315,556.13 units on 15 June 2015	–	179,625
0.07000 per unit on 3,172,686.41 units on 15 July 2015	–	165,411
0.06700 per unit on 3,369,623.47 units on 17 August 2015	–	166,468
0.06700 per unit on 3,350,116.22 units on 15 September 2015	–	160,465
0.06700 per unit on 3,348,672.52 units on 15 October 2015	–	162,920
0.06700 per unit on 3,851,453.09 units on 16 November 2015	–	183,575
0.06500 per unit on 4,057,305.35 units on 15 December 2015	–	190,924
0.06100 per unit on 4,328,713.44 units on 15 January 2016	183,806	–
0.06100 per unit on 4,270,779.67 units on 15 February 2016	184,486	–
0.06100 per unit on 4,158,433.43 units on 15 March 2016	190,603	–
0.06000 per unit on 4,209,846.59 units on 15 April 2016	194,646	–
0.06100 per unit on 4,284,639.88 units on 16 May 2016	190,063	–
0.06100 per unit on 4,312,309.21 units on 15 June 2016	193,513	–
0.06100 per unit on 3,702,403.75 units on 15 July 2016	172,456	–
0.06100 per unit on 3,591,770.92 units on 15 August 2016	168,596	–
0.06600 per unit on 3,915,540.75 units on 15 September 2016	193,109	–
0.06600 per unit on 4,619,368.74 units on 17 October 2016	232,500	–
0.06600 per unit on 4,451,422.17 units on 15 November 2016	221,183	–
0.06600 per unit on 5,713,474.36 units on 15 December 2016	283,571	–
	<u>2,408,532</u>	<u>2,221,584</u>

Class A (Distributing) (Hedged) (NZ\$)

0.06600 per unit on 264,413.05 units on 16 February 2015	–	13,034
0.06600 per unit on 271,688.29 units on 16 March 2015	–	13,137
0.06600 per unit on 206,891.25 units on 15 April 2015	–	10,307
0.08000 per unit on 192,373.64 units on 15 May 2015	–	11,561
0.08000 per unit on 202,098.44 units on 15 June 2015	–	11,292
0.08000 per unit on 340,185.58 units on 15 July 2015	–	18,239
0.07500 per unit on 458,966.10 units on 17 August 2015	–	22,543
0.07500 per unit on 551,082.78 units on 15 September 2015	–	26,187
0.07500 per unit on 523,400.22 units on 15 October 2015	–	26,548
0.07500 per unit on 648,835.56 units on 16 November 2015	–	31,743
0.07300 per unit on 701,180.52 units on 15 December 2015	–	34,648
0.06900 per unit on 751,897.34 units on 15 January 2016	33,536	–
0.06800 per unit on 789,453.69 units on 15 February 2016	35,576	–
0.06800 per unit on 826,063.66 units on 15 March 2016	37,579	–
0.06700 per unit on 853,485.90 units on 15 April 2016	39,257	–
0.06800 per unit on 940,444.26 units on 16 May 2016	43,310	–
0.06800 per unit on 1,483,130.33 units on 15 June 2016	70,627	–
0.06800 per unit on 1,488,200.01 units on 15 July 2016	72,883	–
0.06800 per unit on 1,491,064.83 units on 15 August 2016	73,342	–
0.07300 per unit on 1,451,151.37 units on 15 September 2016	77,242	–
0.07300 per unit on 1,639,089.71 units on 17 October 2016	84,888	–
0.07300 per unit on 1,816,898.55 units on 15 November 2016	93,832	–
0.07300 per unit on 1,839,198.58 units on 15 December 2016	97,131	–
	<u>759,203</u>	<u>219,239</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

	BEA Union Investment Asia Pacific Multi Income Fund	
	2016 US\$	2015 US\$
Distribution history: (continued)		
<i>Class A (Distributing) (Hedged) (RMB)</i>		
0.62000 per unit on 3,013,169.80 units on 15 January 2015	-	301,595
0.61000 per unit on 3,094,180.12 units on 16 February 2015	-	302,369
0.61000 per unit on 2,999,478.71 units on 16 March 2015	-	291,159
0.61000 per unit on 2,812,926.95 units on 15 April 2015	-	276,137
0.78000 per unit on 2,332,348.96 units on 15 May 2015	-	293,269
0.78000 per unit on 2,340,917.32 units on 15 June 2015	-	293,879
0.78000 per unit on 3,255,749.58 units on 15 July 2015	-	408,618
0.73000 per unit on 2,871,892.48 units on 17 August 2015	-	324,967
0.73000 per unit on 2,680,811.82 units on 15 September 2015	-	305,659
0.73000 per unit on 2,697,559.78 units on 15 October 2015	-	320,983
0.73000 per unit on 2,939,779.77 units on 16 November 2015	-	334,862
0.71000 per unit on 3,333,871.38 units on 15 December 2015	-	361,342
0.67000 per unit on 3,052,780.36 units on 15 January 2016	309,727	-
0.64000 per unit on 3,289,952.65 units on 15 February 2016	323,373	-
0.64000 per unit on 3,255,853.73 units on 15 March 2016	320,866	-
0.63000 per unit on 3,266,499.00 units on 15 April 2016	316,961	-
0.64000 per unit on 2,776,133.54 units on 16 May 2016	271,134	-
0.64000 per unit on 2,759,843.03 units on 15 June 2016	267,536	-
0.64000 per unit on 3,062,071.85 units on 15 July 2016	292,846	-
0.64000 per unit on 3,160,458.51 units on 15 August 2016	304,405	-
0.69000 per unit on 3,305,997.52 units on 15 September 2016	341,881	-
0.69000 per unit on 3,552,501.85 units on 17 October 2016	364,024	-
0.69000 per unit on 3,987,734.52 units on 15 November 2016	401,163	-
0.69000 per unit on 3,928,425.49 units on 15 December 2016	392,725	-
	<u>3,906,641</u>	<u>3,814,839</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

	BEA Union Investment RMB Core Bond Fund	
	2016 RMB	2015 RMB
Distribution history: (continued)		
<i>Class A (Distributing) (HK\$)</i>		
Amount available for distribution to unitholders at the beginning of the year	658,001	4,997,192
Profit for the year available for distribution	7,648,006	19,905,809
Distributions to unitholders	<u>(8,874,327)</u>	<u>(24,245,000)</u>
Undistributed income carried forward	<u>(568,320)</u>	<u>658,001</u>
Distribution history:		
<i>Class A (Distributing) (HK\$)</i>		
0.42000 per unit on 3,916,466.02 units on 15 January 2015	-	1,314,015
0.37000 per unit on 3,536,450.12 units on 16 February 2015	-	1,053,217
0.41000 per unit on 3,344,761.47 units on 16 March 2015	-	1,109,260
0.41000 per unit on 3,280,256.79 units on 15 April 2015	-	1,078,172
0.49000 per unit on 1,898,868.30 units on 15 May 2015	-	744,697
0.49000 per unit on 1,771,948.99 units on 15 June 2015	-	695,774
0.49000 per unit on 1,682,930.89 units on 15 July 2015	-	661,145
0.49000 per unit on 1,605,323.41 units on 17 August 2015	-	654,306
0.49000 per unit on 1,520,990.32 units on 15 September 2015	-	615,700
0.49000 per unit on 1,523,724.40 units on 15 October 2015	-	611,447
0.49000 per unit on 1,466,110.22 units on 16 November 2015	-	593,971
0.48000 per unit on 1,405,351.65 units on 15 December 2015	-	570,132
0.45000 per unit on 1,381,661.04 units on 15 January 2016	527,428	-
0.41000 per unit on 1,314,315.08 units on 15 February 2016	450,453	-
0.40000 per unit on 1,307,888.44 units on 15 March 2016	437,951	-
0.40000 per unit on 1,295,530.51 units on 15 April 2016	433,729	-
0.38000 per unit on 1,281,448.30 units on 16 May 2016	411,005	-
0.38000 per unit on 1,244,554.96 units on 15 June 2016	402,341	-
0.37000 per unit on 1,175,901.76 units on 15 July 2016	375,449	-
0.37000 per unit on 1,103,556.82 units on 15 August 2016	349,812	-
0.36000 per unit on 1,072,679.94 units on 15 September 2016	332,097	-
0.36000 per unit on 542,102.17 units on 17 October 2016	169,372	-
0.36000 per unit on 496,788.37 units on 15 November 2016	158,116	-
0.36000 per unit on 486,666.26 units on 15 December 2016	155,902	-
	<u>4,203,655</u>	<u>9,701,836</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

	BEA Union Investment RMB Core Bond Fund	
	2016 RMB	2015 RMB
Distribution history: (continued)		
<i>Class A (Distributing) (RMB)</i>		
0.42000 per unit on 2,675,506.98 units on 15 January 2015	-	1,123,713
0.37000 per unit on 2,496,921.62 units on 16 February 2015	-	923,861
0.41000 per unit on 2,389,155.59 units on 16 March 2015	-	979,554
0.41000 per unit on 2,299,350.24 units on 15 April 2015	-	942,734
0.49000 per unit on 1,825,784.51 units on 15 May 2015	-	894,635
0.49000 per unit on 1,751,560.24 units on 15 June 2015	-	858,265
0.49000 per unit on 1,628,938.57 units on 15 July 2015	-	798,180
0.49000 per unit on 1,430,223.08 units on 17 August 2015	-	700,809
0.49000 per unit on 1,344,130.29 units on 15 September 2015	-	658,624
0.49000 per unit on 848,205.87 units on 15 October 2015	-	415,621
0.49000 per unit on 816,328.16 units on 16 November 2015	-	400,001
0.48000 per unit on 796,154.67 units on 15 December 2015	-	382,154
0.45000 per unit on 664,837.31 units on 15 January 2016	299,177	-
0.41000 per unit on 636,610.12 units on 15 February 2016	261,010	-
0.40000 per unit on 618,935.91 units on 15 March 2016	247,574	-
0.40000 per unit on 608,058.24 units on 15 April 2016	243,222	-
0.38000 per unit on 581,125.16 units on 16 May 2016	220,828	-
0.38000 per unit on 565,907.08 units on 15 June 2016	215,045	-
0.37000 per unit on 529,835.73 units on 15 July 2016	196,039	-
0.37000 per unit on 528,285.95 units on 15 August 2016	195,466	-
0.36000 per unit on 517,713.52 units on 15 September 2016	186,377	-
0.36000 per unit on 503,593.57 units on 17 October 2016	181,294	-
0.36000 per unit on 478,322.42 units on 15 November 2016	172,196	-
0.36000 per unit on 433,170.06 units on 15 December 2016	155,941	-
	<u>2,574,169</u>	<u>9,078,151</u>
<i>Class A (Distributing) (US\$)</i>		
0.04200 per unit on 3,066,345.68 units on 15 January 2015	-	797,741
0.03700 per unit on 2,835,102.17 units on 16 February 2015	-	654,799
0.04100 per unit on 2,732,610.47 units on 16 March 2015	-	704,055
0.04100 per unit on 2,479,260.86 units on 15 April 2015	-	631,639
0.04900 per unit on 1,260,757.23 units on 15 May 2015	-	383,221
0.04900 per unit on 1,102,034.05 units on 15 June 2015	-	335,508
0.04900 per unit on 1,103,396.02 units on 15 July 2015	-	336,012
0.04900 per unit on 1,082,217.88 units on 17 August 2015	-	342,107
0.04900 per unit on 1,050,033.23 units on 15 September 2015	-	329,421
0.04900 per unit on 1,025,809.06 units on 15 October 2015	-	319,025
0.04900 per unit on 1,006,221.18 units on 16 November 2015	-	315,982
0.04800 per unit on 1,003,398.34 units on 15 December 2015	-	315,503
0.04500 per unit on 962,199.06 units on 15 January 2016	285,936	-
0.04100 per unit on 900,913.12 units on 15 February 2016	240,509	-
0.04000 per unit on 875,579.27 units on 15 March 2016	227,445	-
0.04000 per unit on 844,856.20 units on 15 April 2016	219,412	-
0.03800 per unit on 784,602.99 units on 16 May 2016	195,376	-
0.03800 per unit on 723,331.73 units on 15 June 2016	181,469	-
0.03700 per unit on 614,599.53 units on 15 July 2016	152,177	-
0.03700 per unit on 590,335.76 units on 15 August 2016	145,137	-
0.03600 per unit on 550,190.23 units on 15 September 2016	132,158	-
0.03600 per unit on 459,855.02 units on 17 October 2016	111,475	-
0.03600 per unit on 454,437.19 units on 15 November 2016	112,210	-
0.03600 per unit on 375,085.36 units on 15 December 2016	93,199	-
	<u>2,096,503</u>	<u>5,465,013</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

	BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽¹⁾	
	2016 US\$	2015 US\$
Distribution history:		
<i>Class A (Distributing) (HK\$)</i>		
Amount available for distribution to unitholders at the beginning of the year/period	(3,236,284)	-
Profit for the year/period available for distribution	922,527	203,408
Distributions to unitholders	<u>(2,781,015)</u>	<u>(3,439,692)</u>
Undistributed income carried forward	<u>(5,094,772)</u>	<u>(3,236,284)</u>
Distribution history:		
0.38000 per unit on 1,701,695.38 units on 15 May 2015	-	83,430
0.39000 per unit on 2,019,623.41 units on 15 June 2015	-	101,588
0.40000 per unit on 2,121,976.31 units on 15 July 2015	-	109,498
0.38000 per unit on 2,144,078.17 units on 15 August 2015	-	105,050
0.38000 per unit on 2,137,787.30 units on 15 September 2015	-	104,820
0.38000 per unit on 2,128,897.58 units on 15 October 2015	-	104,384
0.36000 per unit on 2,218,245.20 units on 15 November 2015	-	103,025
0.35000 per unit on 2,206,786.83 units on 15 December 2015	-	99,653
0.32000 per unit on 2,174,875.13 units on 15 January 2016	89,401	-
0.30000 per unit on 1,821,690.20 units on 15 February 2016	70,161	-
0.30000 per unit on 1,789,475.45 units on 15 March 2016	69,202	-
0.29000 per unit on 1,700,031.19 units on 15 April 2016	63,555	-
0.28000 per unit on 1,644,241.95 units on 16 May 2016	59,299	-
0.27000 per unit on 1,597,201.60 units on 15 June 2016	55,570	-
0.26000 per unit on 1,521,841.39 units on 15 July 2016	51,023	-
0.25000 per unit on 1,450,527.35 units on 15 August 2016	46,755	-
0.24000 per unit on 1,387,904.82 units on 15 September 2016	42,933	-
0.24000 per unit on 1,264,659.84 units on 17 October 2016	39,119	-
0.24000 per unit on 1,265,180.93 units on 15 November 2016	39,139	-
0.24000 per unit on 1,271,558.07 units on 15 December 2016	39,344	-
	<u>665,501</u>	<u>811,448</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia
Pacific Flexi Allocation Fund ⁽¹⁾
2016 2015
US\$ US\$

Distribution history: (continued)

Class A (Distributing) (US\$)

0.03800 per unit on 3,635,226.79 units on 15 May 2015	–	138,139
0.03900 per unit on 3,772,555.95 units on 15 June 2015	–	147,130
0.04000 per unit on 3,784,630.43 units on 15 July 2015	–	151,385
0.03800 per unit on 3,726,254.93 units on 15 August 2015	–	141,598
0.03800 per unit on 3,664,488.73 units on 15 September 2015	–	139,251
0.03800 per unit on 3,774,115.19 units on 15 October 2015	–	143,416
0.03600 per unit on 3,625,793.19 units on 15 November 2015	–	130,529
0.03500 per unit on 3,660,659.84 units on 15 December 2015	–	128,123
0.03200 per unit on 3,558,835.95 units on 15 January 2016	113,883	–
0.03000 per unit on 3,486,659.88 units on 15 February 2016	104,600	–
0.03000 per unit on 3,466,246.75 units on 15 March 2016	103,987	–
0.02900 per unit on 3,353,768.52 units on 15 April 2016	97,259	–
0.02800 per unit on 3,300,682.11 units on 16 May 2016	92,419	–
0.02700 per unit on 3,284,928.03 units on 15 June 2016	88,693	–
0.02600 per unit on 3,223,291.98 units on 15 July 2016	83,805	–
0.02500 per unit on 3,148,863.40 units on 15 August 2016	78,722	–
0.02400 per unit on 3,150,999.27 units on 15 September 2016	75,624	–
0.02400 per unit on 2,522,149.17 units on 17 October 2016	60,532	–
0.02400 per unit on 2,506,048.11 units on 15 November 2016	60,145	–
0.02400 per unit on 2,407,617.63 units on 15 December 2016	57,783	–
	<u>1,017,452</u>	<u>1,119,571</u>

Class A (Distributing) (Hedged) (AU\$)

0.05500 per unit on 779,756.98 units on 15 May 2015	–	34,663
0.05600 per unit on 1,043,949.95 units on 15 June 2015	–	45,246
0.05600 per unit on 1,064,920.26 units on 15 July 2015	–	45,210
0.05500 per unit on 996,788.20 units on 15 August 2015	–	40,424
0.05500 per unit on 984,940.29 units on 15 September 2015	–	38,727
0.05500 per unit on 997,048.04 units on 15 October 2015	–	39,820
0.05300 per unit on 1,015,968.33 units on 15 November 2015	–	38,306
0.05100 per unit on 1,006,419.17 units on 15 December 2015	–	37,159
0.04700 per unit on 1,011,618.39 units on 15 January 2016	33,097	–
0.04300 per unit on 1,009,186.59 units on 15 February 2016	30,730	–
0.04300 per unit on 1,008,321.04 units on 15 March 2016	32,579	–
0.04200 per unit on 939,129.00 units on 15 April 2016	30,395	–
0.04100 per unit on 847,383.35 units on 16 May 2016	25,265	–
0.04000 per unit on 851,088.97 units on 15 June 2016	25,044	–
0.03900 per unit on 705,256.08 units on 15 July 2016	21,003	–
0.03800 per unit on 525,453.31 units on 15 August 2016	15,365	–
0.03700 per unit on 563,167.66 units on 15 September 2016	15,571	–
0.03700 per unit on 549,259.30 units on 17 October 2016	15,498	–
0.03700 per unit on 560,622.87 units on 15 November 2016	15,616	–
0.03700 per unit on 570,703.03 units on 15 December 2016	15,879	–
	<u>276,042</u>	<u>319,555</u>

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

BEA Union Investment Asia
Pacific Flexi Allocation Fund ⁽¹⁾
2016 2015
US\$ US\$

Distribution history: (continued)

Class A (Distributing) (Hedged) (NZ\$)

0.06200 per unit on 321,216.86 units on 15 May 2015	–	14,961
0.06300 per unit on 365,100.67 units on 15 June 2015	–	16,064
0.06400 per unit on 390,438.99 units on 15 July 2015	–	16,747
0.06200 per unit on 357,573.99 units on 15 August 2015	–	14,519
0.06200 per unit on 384,112.08 units on 15 September 2015	–	15,089
0.06200 per unit on 366,694.35 units on 15 October 2015	–	15,376
0.06200 per unit on 328,767.70 units on 15 November 2015	–	12,867
0.05800 per unit on 371,881.11 units on 15 December 2015	–	14,600
0.05400 per unit on 362,034.81 units on 15 January 2016	12,637	–
0.04500 per unit on 387,992.74 units on 15 February 2016	11,570	–
0.04500 per unit on 387,992.74 units on 15 March 2016	11,681	–
0.04400 per unit on 362,034.81 units on 15 April 2016	10,936	–
0.04300 per unit on 362,034.81 units on 16 May 2016	10,543	–
0.04200 per unit on 348,319.01 units on 15 June 2016	10,245	–
0.04100 per unit on 326,389.20 units on 15 July 2016	9,638	–
0.04000 per unit on 322,781.12 units on 15 August 2016	9,339	–
0.03900 per unit on 399,512.48 units on 15 September 2016	11,361	–
0.03900 per unit on 202,687.14 units on 17 October 2016	5,608	–
0.03900 per unit on 245,383.56 units on 15 November 2016	6,770	–
0.03900 per unit on 198,168.96 units on 15 December 2016	5,591	–
	<u>115,919</u>	<u>120,223</u>

Class A (Distributing) (Hedged) (RMB)

0.62000 per unit on 1,226,974.44 units on 15 May 2015	–	122,633
0.63000 per unit on 1,386,056.00 units on 15 June 2015	–	140,543
0.64000 per unit on 1,470,837.34 units on 15 July 2015	–	151,467
0.62000 per unit on 1,477,425.78 units on 15 August 2015	–	141,986
0.62000 per unit on 1,450,609.36 units on 15 September 2015	–	140,472
0.62000 per unit on 1,373,523.56 units on 15 October 2015	–	134,173
0.60000 per unit on 1,305,312.81 units on 15 November 2015	–	122,206
0.58000 per unit on 1,303,535.40 units on 15 December 2015	–	115,415
0.54000 per unit on 1,377,067.08 units on 15 January 2016	112,605	–
0.45000 per unit on 1,012,771.90 units on 15 February 2016	69,994	–
0.45000 per unit on 1,014,647.18 units on 15 March 2016	70,308	–
0.44000 per unit on 948,613.76 units on 15 April 2016	64,287	–
0.43000 per unit on 838,869.14 units on 16 May 2016	55,046	–
0.42000 per unit on 836,247.34 units on 15 June 2016	53,199	–
0.41000 per unit on 1,042,845.30 units on 15 July 2016	63,892	–
0.40000 per unit on 917,261.18 units on 15 August 2016	55,217	–
0.39000 per unit on 955,558.74 units on 15 September 2016	55,853	–
0.39000 per unit on 941,796.13 units on 17 October 2016	54,547	–
0.39000 per unit on 623,750.15 units on 15 November 2016	35,467	–
0.39000 per unit on 277,596.14 units on 15 December 2016	15,686	–
	<u>706,101</u>	<u>1,068,895</u>

(1) The date of commencement for BEA Union Investment Asia Pacific Flexi Allocation Fund was 6 February 2015.

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

	BEA Union Investment Global Flexi Allocation Fund ⁽¹⁾ 2016 US\$
Amount available for distribution to unitholders at the beginning of the period	–
Profit for the period available for distribution	104,791
Distributions to unitholders	(342,920)
	<hr/>
Undistributed income carried forward	(238,129)
	<hr/>
Distribution history:	
<i>Class A (Distributing) (HK\$)</i>	
0.37500 per unit on 95,328.40 units on 15 April 2016	4,608
0.37500 per unit on 106,191.08 units on 16 May 2016	5,129
0.37500 per unit on 107,304.71 units on 15 June 2016	5,185
0.37500 per unit on 124,015.62 units on 15 July 2016	5,997
0.37500 per unit on 103,863.29 units on 15 August 2016	5,022
0.37500 per unit on 94,238.50 units on 15 September 2016	4,555
0.37500 per unit on 93,237.65 units on 17 October 2016	4,507
0.37500 per unit on 87,917.88 units on 15 November 2016	4,250
0.37500 per unit on 88,905.72 units on 15 December 2016	4,298
	<hr/>
	43,551
	<hr/>
<i>Class A (Distributing) (US\$)</i>	
0.03750 per unit on 942,384.31 units on 15 April 2016	35,339
0.03750 per unit on 867,838.09 units on 16 May 2016	32,544
0.03750 per unit on 883,014.18 units on 15 June 2016	33,113
0.03750 per unit on 871,792.81 units on 15 July 2016	32,692
0.03750 per unit on 877,025.09 units on 15 August 2016	32,889
0.03750 per unit on 883,539.86 units on 15 September 2016	33,133
0.03750 per unit on 891,666.08 units on 17 October 2016	33,438
0.03750 per unit on 891,666.08 units on 15 November 2016	33,437
0.03750 per unit on 874,234.32 units on 15 December 2016	32,784
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	299,369
	<hr/>

(1) The date of commencement for BEA Union Investment Global Flexi Allocation Fund was 27 January 2016.

BEA UNION INVESTMENT SERIES

DISTRIBUTION STATEMENT

FOR THE YEAR/PERIOD ENDED 31 DECEMBER 2016 (CONTINUED)

	BEA Union Investment China High Yield Income Fund ⁽¹⁾ 2016 US\$
Amount available for distribution to unitholders at the beginning of the period	–
Profit for the period available for distribution	1,233,103
Distributions to unitholders	(1,176,255)
	<hr/>
Undistributed income carried forward	56,848
	<hr/>
Distribution history:	
<i>Class A (Distributing) (US\$)</i>	
0.05830 per unit on 1,615,238.14 units on 15 July 2016	94,168
0.05830 per unit on 1,635,894.91 units on 15 August 2016	95,373
0.05830 per unit on 1,739,929.89 units on 15 September 2016	101,438
0.05830 per unit on 1,687,417.17 units on 15 October 2016	98,376
0.05830 per unit on 1,638,159.20 units on 15 November 2016	95,505
0.05830 per unit on 1,713,274.00 units on 15 December 2016	99,884
	<hr/>
	584,744
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<i>Class A (Distributing) (HK\$)</i>	
0.58300 per unit on 874,234.96 units on 15 July 2016	65,723
0.58300 per unit on 932,889.26 units on 15 August 2016	70,123
0.58300 per unit on 1,073,397.93 units on 15 September 2016	80,658
0.58300 per unit on 110,199.54 units on 15 October 2016	82,804
0.58300 per unit on 834,671.24 units on 15 November 2016	62,723
0.58300 per unit on 752,040.72 units on 15 December 2016	56,526
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	418,557
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<i>Class A (Distributing) (Hedged) (AU\$)</i>	
0.06680 per unit on 96,353.97 units on 15 July 2016	4,915
0.06680 per unit on 110,626.09 units on 15 August 2016	5,686
0.06680 per unit on 104,818.34 units on 15 September 2016	5,232
0.06680 per unit on 109,095.80 units on 15 October 2016	5,557
0.06680 per unit on 106,301.11 units on 15 November 2016	5,346
0.06680 per unit on 92,301.11 units on 15 December 2016	4,637
	<hr/>
	31,373
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<i>Class A (Distributing) (Hedged) (RMB)</i>	
0.75500 per unit on 166,058.83 units on 15 July 2016	18,735
0.75500 per unit on 200,739.11 units on 15 August 2016	22,809
0.75500 per unit on 214,793.53 units on 15 September 2016	24,305
0.75500 per unit on 231,507.01 units on 15 October 2016	25,957
0.75500 per unit on 222,444.79 units on 15 November 2016	24,486
0.75500 per unit on 231,187.26 units on 15 December 2016	25,289
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	141,581
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(1) The date of commencement for BEA Union Investment China High Yield Income Fund was 22 April 2016.

The notes on pages 76 to 130 form part of these financial statements.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS (EXPRESSED IN UNITED STATES DOLLARS)

1 The Fund

BEA Union Investment Series (“the Fund”) is an umbrella unit trust established in Hong Kong pursuant to a trust deed dated 18 January 2002 and supplemental trust deeds dated 18 January 2002, 17 February 2006, 30 January 2007, 8 January 2008, 3 July 2008, 4 July 2008, 4 September 2009, 3 June 2010, 6 April 2011, 29 March 2012, 30 March 2012, 2 April 2012, 27 March 2013, 31 October 2014, 13 April 2015, 15 May 2015, 30 June 2015, 27 November 2015, 24 March 2016 and 5 December 2016 (“Trust Deed, as amended”). There were twelve sub-funds created under the Fund (collectively “the Sub-funds”) as at 31 December 2016. These Sub-funds were established on the date set out below:

<i>Name of Sub-funds</i>	<i>Establishment date</i>
BEA Union Investment Japan Growth Fund	20 February 2006
BEA Union Investment Global Themes Fund	15 March 2007
BEA Union Investment Global Resources Fund	5 March 2008
BEA Union Investment Asian Bond and Currency Fund	25 August 2008
BEA Union Investment Four Seasons Fund	23 October 2009
BEA Union Investment China A-Share Equity Fund	8 June 2010
BEA Union Investment Asia Pacific Multi Income Fund	11 May 2012
BEA Union Investment China Phoenix Fund	30 April 2013
BEA Union Investment RMB Core Bond Fund	28 February 2014
BEA Union Investment Asia Pacific Flexi Allocation Fund	6 February 2015
BEA Union Investment Global Flexi Allocation Fund	27 January 2016
BEA Union Investment China High Yield Income Fund	22 April 2016

As at 31 December 2016, two different classes of units, namely Class A and Class I had been created for BEA Union Investment Japan Growth Fund, BEA Union Investment Global Themes Fund and BEA Union Investment Global Resources Fund. Only Class A had been subscribed and was in issue as at 31 December 2016 for these sub-funds.

As at 31 December 2016, one class of unit, namely Class A had been created, subscribed and was in issue for BEA Union Investment Four Seasons Fund.

As at 31 December 2016, three different classes of units, namely Class A, Class H and Class I had been created for BEA Union Investment Asian Bond and Currency Fund while the sub-fund had further separated its units into accumulating units, accumulating hedged units, distributing units and distributing hedged units. Only Class A and Class H had been subscribed and were in issue as at 31 December 2016 for this sub-fund.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS (EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

1 The Fund (continued)

As at 31 December 2016, three different classes of units, namely Class A, Class I and Class P had been created for BEA Union Investment China A-Share Equity Fund. Class A, Class I and Class P had been subscribed and were in issue as at 31 December 2016 for this sub-fund.

As at 31 December 2016, two different classes of units, namely Class A and Class I had been created for BEA Union Investment Asia Pacific Multi Income Fund, BEA Union Investment RMB Core Bond Fund, BEA Union Investment Asia Pacific Flexi Allocation Fund, BEA Union Investment Global Flexi Allocation Fund and BEA Union Investment China High Yield Income Fund while Class A of these sub-funds had further separated their units into accumulating units, accumulating hedged units, distributing units and distributing hedged units. Only Class A had been subscribed and was in issue as at 31 December 2016 for these sub-funds.

As at 31 December 2016, two different classes of units, namely Class A and Class I had been created for BEA Union Investment China Phoenix Fund while Class A of the sub-fund had further separated its units into accumulating units and accumulating hedged units. Only Class A had been subscribed and was in issue as at 31 December 2016 for this sub-fund.

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 HKSF”). They are governed by the relevant provisions of the Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (“the Code”).

The Trust Deed, as amended, does not contain any requirement that a combined set of financial statements for the Fund itself be prepared. These financial statements are prepared for BEA Union Investment Japan Growth Fund, BEA Union Investment Global Themes Fund, BEA Union Investment Global Resources Fund, BEA Union Investment Asian Bond and Currency Fund, BEA Union Investment Four Seasons Fund, BEA Union Investment China A-Share Equity Fund, BEA Union Investment Asia Pacific Multi Income Fund, BEA Union Investment China Phoenix Fund, BEA Union Investment RMB Core Bond Fund, BEA Union Investment Asia Pacific Flexi Allocation Fund, BEA Union Investment Global Flexi Allocation Fund and BEA Union Investment China High Yield Income Fund only.

On 5 December 2012, the SFC approved the withdrawal of the authorisation of BEA Union Investment Japan Growth Fund with effect from 28 February 2013.

On 20 June 2013, the SFC approved the withdrawal of the authorisation of BEA Union Investment Four Seasons Fund with effect from 23 August 2013.

On 30 November 2016, the SFC approved the withdrawal of the authorisation of BEA Union Investment Global Resources Fund with effect from 17 February 2017.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

2 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 the relevant provisions of the Code issued by the HKSFCA. 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 period 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 periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The financial statements of the Sub-funds are presented in United States dollars ("USD") and rounded to the nearest dollar except for BEA Union Investment RMB Core Bond Fund which the financial statements are presented in Renminbi ("RMB") and rounded to the nearest yuan.

The measurement basis used in the preparation of these financial statements is the historical cost basis except that financial instruments classified as designated at 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.

Certain comparative figures have been adjusted to conform to current year's presentation.

(c) Income and expenses

Interest income is recognised as it accrues using effective interest method. Interest on bank deposits is separately disclosed on the face of profit or loss. Interest income on debt securities is included in net gains/(losses) on investments and foreign exchange. 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. All other income and expenses are accounted for on an accrual basis.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

2 Significant accounting policies (continued)

(d) Financial instruments

(i) Classification

The Sub-funds have designated all investments into the financial assets at fair value through profit or loss category upon initial recognition.

All derivatives are classified as held for trading. Derivatives in a net receivable position (positive fair value) are reported as financial assets. All derivatives in a net payable position (negative fair value) are reported as financial liabilities.

Financial assets that are classified as loans and receivables include dividend receivables, amounts receivable from sale of investments, amounts receivable on subscription, bank interest receivables and other receivables.

Financial liabilities that are not at fair value through profit or loss include amounts payable on redemption, amounts payable for purchase of investments and accruals and other payables.

(ii) Recognition

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

A regular way purchase of financial assets is recognised using trade date accounting. From this date any gains and losses arising from changes in the fair value of the financial assets or financial liabilities are recorded.

Financial liabilities are not recognised unless one of the parties has performed its obligations under the contract or the contract is a derivative contract not exempted from the scope of HKAS 39.

(iii) Measurement

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and financial 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 value recognised in the statement of comprehensive income.

Financial assets classified as receivables are carried at amortised cost using the effective interest 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 method. Financial liabilities arising from the redeemable units issued by certain sub-funds are carried at the redemption amount representing the unitholders' right to a residual interest in these sub-funds' assets.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

2 Significant accounting policies (continued)

(d) Financial instruments (continued)

(iv) 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 quoted prices 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.

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.

Assets and long positions are measured at a bid price; liabilities and short positions are measured at an ask price.

Gains and losses on investments are included in the statement of comprehensive income. Realised gains and losses on investments included net gains or losses on contracts which have been settling or for which offsetting contracts have been entered into.

(v) 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 at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

(vi) Impairment

A financial asset not classified at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence of impairment. A financial asset or a group of financial assets is "impaired" if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset(s) and that loss event(s) had an impact on the estimated future cash flows of that asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired includes significant financial difficulty of the borrower or issuer, default or delinquency by a borrower, restructuring of the amount due on terms that the Sub-funds would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, or adverse changes in the payment status of the borrowers.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

2 Significant accounting policies (continued)

(d) Financial instruments (continued)

(vi) Impairment (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in the statement of comprehensive income and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised. If an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through the statement of comprehensive income.

(vii) Derecognition

The Sub-funds derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or they transfer the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Sub-funds neither transfer nor retain substantially all of the risks and rewards of ownership and do not retain control of the financial asset.

The Sub-funds use the weighted average method to determine realised gains and losses on derecognition.

The Sub-funds derecognise a financial liability when their contractual obligations are discharged, cancelled or expired.

(e) Translation of foreign currencies

Foreign currency transactions during the year/period are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities of all the Sub-funds denominated in foreign currencies are translated into USD except for BEA Union Investment RMB Core Bond Fund which is translated into RMB at the foreign exchange rates ruling at the end of the reporting period. Differences arising on foreign currency translation are recorded in the statement of comprehensive income.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

2 Significant accounting policies (continued)

(f) 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.

(g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments 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.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

2 Significant accounting policies (continued)

(h) Taxation

Taxation for the year/period comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the statement of comprehensive income.

Current tax is the expected tax payable on the taxable income for the year/period, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years. Current tax also includes non-recoverable withholding taxes on investment income, capital gains and share dividends.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

All deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable capital gains will be available against which the asset can be utilised, are recognised.

The amounts of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

(i) 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 SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

2 Significant accounting policies (continued)

(i) 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 Japan Growth Fund, BEA Union Investment Global Themes Fund and BEA Union Investment Global Resources Fund have two classes of redeemable units: Class A and Class I. Class A units were in issue.

BEA Union Investment Asian Bond and Currency Fund has three classes of redeemable units: Class A, Class H and Class I while the sub-fund has further separated its units into accumulating units, accumulating hedged units, distributing units and distributing hedged units. Class A Accumulating, Class A Distributing, Class A Distributing Hedged (AUD), Class A Distributing Hedged (RMB) and Class H Distributing (HKD) units were in issue.

BEA Union Investment Four Seasons Fund has one class of redeemable units: Class A, which were in issue.

BEA Union Investment China A-Share Equity Fund has three classes of redeemable units: Class A, Class I and Class P. Class A, Class I and Class P units were in issue.

BEA Union Investment Asia Pacific Multi Income Fund has two classes of redeemable units: Class A and Class I while Class A of the sub-fund has further separated its units into accumulating units, accumulating hedged units, distributing units and distributing hedged units. Class A Accumulating, Class A Distributing, Class A Distributing (HKD), Class A Distributing Hedged (AUD), Class A Distributing Hedged (NZD) and Class A Distributing Hedged (RMB) units were in issue.

BEA Union Investment China Phoenix Fund has two classes of redeemable units: Class A and Class I while Class A has further separated its units into accumulating units and accumulating hedged units. Class A Accumulating, Class A Accumulating (HKD) and Class A Accumulating Hedged (RMB) units were in issue.

BEA Union Investment RMB Core Bond Fund has two classes of redeemable units: Class A and Class I while Class A of the sub-fund had further separated its units into accumulating units, accumulating hedged units, distributing units and distributing hedged units. Class A Distributing, Class A Distributing (HKD) and Class A Distributing (USD) units were in issue.

BEA Union Investment Asia Pacific Flexi Allocation Fund, has two classes of redeemable units: Class A and Class I while Class A of the sub-fund had further separated its units into accumulating units, accumulating hedged units, distributing units and distributing hedged units. Class A Accumulating, Class A Distributing, Class A Distributing (HKD), Class A Distributing Hedged (AUD), Class A Distributing Hedged (NZD) and Class A Distributing Hedged (RMB) units were in issue.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

2 Significant accounting policies (continued)

(i) Units in issue (continued)

BEA Union Investment Global Flexi Allocation Fund, has two classes of redeemable units: Class A and Class I while Class A of the sub-fund had further separated its units into accumulating units, accumulating hedged units, distributing units and distributing hedged units. Class A Distributing and Class A Distributing (HKD) units were in issue.

BEA Union Investment China High Yield Income Fund, has two classes of redeemable units: Class A and Class I while Class A of the sub-fund had further separated its units into accumulating units, accumulating hedged units, distributing units and distributing hedged units. Class A Distributing, Class A Distributing (HKD), Class A Distributing Hedged (AUD) and Class A Distributing Hedged (RMB) 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, the redeemable units of BEA Union Investment Japan Growth Fund, BEA Union Investment Global Themes Fund, BEA Union Investment Global Resources Fund and BEA Union Investment Four Seasons Fund meet the definition of puttable instruments and being classified as equity instruments as at 31 December 2016.

BEA Union Investment Asian Bond and Currency Fund's Class A and Class H units have been further separated into accumulating units, accumulating hedged units, distributing units and distributing hedged units, which rank pari passu in all material respects but have different distribution policy as set out in the Explanatory Memorandum. Those redeemable units are the most subordinate classes of financial instruments in BEA Union Investment Asian Bond and Currency Fund. 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 present value of the redemption amounts.

BEA Union Investment China A-Share Equity Fund has created 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 and holders' servicing fees. Those redeemable units are the most subordinate classes of financial instruments in the sub-fund. 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 present value of the redemption amounts.

BEA Union Investment Asia Pacific Multi Income Fund's Class A units have been further separated into accumulating units, accumulating hedged units, distributing units and distributing hedged units, which rank pari passu in all material respects but have different distribution policy as set out in the Explanatory Memorandum. Those redeemable units are the most subordinate classes of financial instruments in BEA Union Investment Asia Pacific Multi Income Fund. 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 present value of the redemption amounts.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

2 Significant accounting policies (continued)

(i) **Units in issue (continued)**

BEA Union Investment China Phoenix Fund's Class A units have been further separated into accumulating units and accumulating hedged units, which rank pari passu in all material respects and have the same terms and conditions as set out in the Explanatory Memorandum other than different currencies. The redeemable units provide unitholders with the right to require redemption for cash at a value proportionate to the unitholders' share in the sub-fund's net assets at each redemption date, and also in the event of the sub-fund's liquidation. The redeemable units of the sub-fund are classified as financial liabilities and are measured at the present value of the redemption amounts.

BEA Union Investment RMB Core Bond Fund's Class A units has multiple classes of redeemable units in issue, namely Class A distributing units in USD, Class A distributing units in HKD and Class A distributing units in RMB. All the classes are the most subordinate classes of financial instruments in the sub-fund and rank pari passu in all material respects and have the same terms and conditions as set out in the Explanatory Memorandum other than different currencies. The redeemable units provide unitholders with the right to require redemption for cash at a value proportionate to the unitholders' share in the sub-fund's net assets at each redemption date, and also in the event of the sub-fund's liquidation. The redeemable units of the sub-fund are classified as financial liabilities and are measured at the present value of the redemption amounts.

BEA Union Investment Asia Pacific Flexi Allocation Fund's Class A units have been further separated into accumulating units, accumulating hedged units, distributing units and distributing hedged units, which rank pari passu in all material respects but have different distribution policy as set out in the Explanatory Memorandum. Those redeemable units are the most subordinate classes of financial instruments in BEA Union Investment Asia Pacific Flexi Allocation Fund. 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 present value of the redemption amounts.

BEA Union investment Global Flexi Allocation Fund's Class A units have multiple classes of redeemable units in issue, namely Class A distributing units in USD and Class A distributing units in HKD. All the classes are the most subordinate classes of financial instruments in the sub-fund and rank pari passu in all material respects and have the same terms and conditions as set out in the Explanatory Memorandum other than different currencies. The redeemable units provide unitholders with the right to require redemption for cash at a value proportionate to the unitholders' share in the sub-fund's net assets at each redemption date, and also in the event of the sub-fund's liquidation. The redeemable units of the sub-fund are classified as financial liabilities and are measured at the present value of the redemption amounts.

BEA Union Investment China High Yield Income Fund's Class A units have been further separated into accumulating units, accumulating hedged units, distributing units and distributing hedged units, which rank pari passu in all material respects but have different distribution policy as set out in the Explanatory Memorandum. Those redeemable units are the most subordinate classes of financial instruments in BEA Union Investment High Yield Income Fund. 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 present value of the redemption amounts.

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 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.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

2 Significant accounting policies (continued)

(j) **Distributions to holders of redeemable units**

Distributions to holders of redeemable units classified as financial liabilities are recognised in the statement of comprehensive income as finance costs when they are authorised and no longer at the discretion of the Sub-funds. Distributions to holders of redeemable units classified as equity are classified as transactions with owners recorded directly in equity and recorded in the statement of changes in net assets attributable to unitholders.

(k) **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").

(l) **Foreign currency forward contract**

A foreign currency forward contract involves an obligation to purchase or sell a specific currency at a future date at a price set at the time the contract is made. Outstanding foreign currency forward contracts are valued at the date of the statement of assets and liabilities by reference to the forward rate of exchange applicable to the outstanding term of the contracts. The unrealised gains or losses on open foreign currency forward contracts are calculated as the difference between the contract rate and this forward price and are recognised in the statement of comprehensive income.

3 Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Sub-funds. None of these developments have had a material effect on how the Sub-funds' results and financial position for the current or prior periods have been prepared or presented.

The Sub-funds have not applied any new standard or interpretation that is not yet effective for the current accounting period.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

4 Financial instruments of fair value through profit or loss

Breakdown of investments:

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment China High Yield Income Fund
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2016
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	RMB	RMB	US\$	US\$	US\$	US\$
Listed/quoted investment funds	379,212	460,089	515,484	-	-	-	-	-	-	-	1,819,051	-	3,145,392	25,926,999	198,427	1,560,557	7,610,327	20,714,775	11,019,820	18,744,064	1,041,049	-
Listed equities	-	-	8,330,542	9,621,527	1,336,086	1,542,694	-	-	28,213	31,763	35,446,086	46,986,399	91,337,308	54,756,654	19,370,535	25,518,470	-	-	33,472,692	65,352,399	6,823,648	-
Listed real estate investment trusts	-	-	293,637	-	-	-	-	-	-	-	-	-	17,109,800	18,097,529	-	-	-	-	1,396,511	-	241,714	-
Listed/quoted debt securities	-	-	-	-	-	-	239,944,787	103,010,557	-	-	-	-	189,532,242	156,041,003	-	-	87,821,939	210,379,024	765,034	1,039,493	3,437,363	31,345,176
Rights	-	-	-	-	-	-	-	-	-	-	-	-	-	9,014	-	-	-	-	-	-	-	-
Quoted futures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,985	-	-
Total investments	379,212	460,089	9,139,663	9,621,527	1,336,086	1,542,694	239,944,787	103,010,557	28,213	31,763	37,265,137	46,986,399	301,124,742	254,831,199	19,568,962	27,079,027	95,432,266	231,093,799	46,654,057	85,171,941	11,543,774	31,345,176
Investments, at cost	295,601	337,806	9,069,862	9,678,179	1,278,307	1,725,523	230,577,107	101,773,437	41,610	41,610	38,991,384	47,098,699	294,214,480	254,587,475	19,301,116	29,118,178	93,501,853	231,463,943	46,571,138	86,018,933	11,360,605	30,174,467
Net unrealised appreciation/ (depreciation) in value of investments	83,611	122,283	69,801	(56,652)	57,779	(182,829)	9,367,680	1,237,120	(13,397)	(9,847)	(1,726,247)	(112,300)	6,910,262	243,724	267,846	(2,039,151)	1,930,413	(370,144)	82,919	(846,992)	183,169	1,170,709
Investments, at market value	379,212	460,089	9,139,663	9,621,527	1,336,086	1,542,694	239,944,787	103,010,557	28,213	31,763	37,265,137	46,986,399	301,124,742	254,831,199	19,568,962	27,079,027	95,432,266	231,093,799	46,654,057	85,171,941	11,543,774	31,345,176

For BEA Union Investment Japan Growth Fund, the carrying value of investments as at 31 December 2016 represented 0.05% (2015: 0.06%) of the net asset value of Fidelity Global Investment Fund – Japanese Equity Fund.

Fair value hierarchy

The following table summarises the inputs used to value the Sub-funds' investments and foreign currency forward contracts as of 31 December 2016.

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment China High Yield Income Fund
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2016
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	RMB	RMB	US\$	US\$	US\$	US\$
Level 1	379,212	460,089	9,139,663	9,621,527	1,336,086	1,542,694	-	-	28,213	31,763	37,265,137	44,870,433	111,592,500	98,781,182	19,568,962	27,079,027	7,610,327	20,714,775	45,889,023	84,132,448	8,106,411	-
Level 2	-	-	-	-	-	-	239,799,602	103,010,352	-	-	-	2,115,966	189,569,759	156,029,060	(5,165)	(43)	87,797,096	209,014,799	773,471	1,030,181	3,437,363	31,335,596
Level 3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Level 1, 2 and 3	379,212	460,089	9,139,663	9,621,527	1,336,086	1,542,694	239,799,602	103,010,352	28,213	31,763	37,265,137	46,986,399	301,162,259	254,810,242	19,563,797	27,078,984	95,407,423	229,729,574	46,662,494	85,162,629	11,543,774	31,335,596

During the year ended 31 December 2016, there were no transfer between level 1 and level 2 or transfer in and out of level 3.

During the year ended 31 December 2015, investments of BEA Union Investment China A-Share Equity Fund with a carrying amount of US\$2,115,966 were transferred from level 1 to level 2 because two equity investments were suspended on 9 October 2015 and 18 December 2015 and the quoted prices for these investments were not available in an active market as at 31 December 2015, those two equity investments were valued at latest available bid price before suspension.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

4 Financial instruments of fair value through profit or loss (continued)

Breakdown of investments: (continued)

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 considered less than 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.

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BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

5 Capital management and units in issue

(a) Movement in units in issue

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽¹⁾		BEA Union Investment Global Flexi Allocation Fund ⁽²⁾	BEA Union Investment China High Yield Income Fund ⁽³⁾	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2016	
Class A																							
Number of units in issue at beginning of the year/period	51,430.53	158,846.10	876,090.05	1,634,262.56	2,393,236.10	3,573,263.27	-	-	16,870.86	28,548.31	615,629.32	225,054.77	-	-	-	-	-	-	-	-	-	-	-
Units issued during the year/period	-	-	26,494.20	70,700.43	18,799.60	153,635.14	-	-	-	-	90,363.92	851,843.42	-	-	-	-	-	-	-	-	-	-	-
Units redeemed during the year/period	(4,130.20)	(107,415.57)	(71,122.80)	(828,872.94)	(686,678.16)	(1,333,662.31)	-	-	(391.19)	(11,677.45)	(572,662.28)	(461,268.87)	-	-	-	-	-	-	-	-	-	-	-
Number of units in issue at end of the year/period	<u>47,300.33</u>	<u>51,430.53</u>	<u>831,461.45</u>	<u>876,090.05</u>	<u>1,725,357.54</u>	<u>2,393,236.10</u>	<u>-</u>	<u>-</u>	<u>16,479.67</u>	<u>16,870.86</u>	<u>133,330.96</u>	<u>615,629.32</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Class A Accumulating (US\$)																							
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	1,069,205.16	1,036,977.77	-	-	-	-	382,142.74	684,617.66	896,103.79	594,465.20	-	-	207,070.33	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	5,107,939.53	976,534.52	-	-	-	-	275,340.84	50,111.00	247,496.10	1,562,269.78	-	-	102,697.09	230,107.92	-	-	-
Units redeemed during the year/period	-	-	-	-	-	-	(1,613,812.57)	(944,307.13)	-	-	-	-	(215,979.85)	(352,585.92)	(396,321.15)	(1,260,631.19)	-	-	(38,125.10)	(23,037.59)	-	-	-
Number of units in issue at end of the year/period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,563,332.12</u>	<u>1,069,205.16</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>441,503.73</u>	<u>382,142.74</u>	<u>747,278.74</u>	<u>896,103.79</u>	<u>-</u>	<u>-</u>	<u>271,642.32</u>	<u>207,070.33</u>	<u>-</u>	<u>-</u>	<u>-</u>
Class A Accumulating (HK\$)																							
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,507,693.38	793,118.98	-	-	-	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52,690.50	1,615,473.44	-	-	-	-	-	-	-
Units redeemed during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(386,601.04)	(900,899.04)	-	-	-	-	-	-	-
Number of units in issue at end of the year/period	<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>1,173,782.84</u>	<u>1,507,693.38</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Class A Accumulating Hedged (RMB)																							
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	162,387.74	40,024.70	-	-	-	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41,890.19	269,921.00	-	-	-	-	-	-	-
Units redeemed during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(71,457.89)	(147,557.96)	-	-	-	-	-	-	-
Number of units in issue at end of the year/period	<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>132,820.04</u>	<u>162,387.74</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

5 Capital management and units in issue (continued)

(a) Movement in units in issue (continued)

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽¹⁾		BEA Union Investment Global Flexi Allocation Fund ⁽²⁾	BEA Union Investment China High Yield Income Fund ⁽³⁾	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2016	
Class A Distributing (US\$)																							
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	4,068,100.24	3,751,560.19	-	-	-	-	6,262,695.62	6,372,104.96	-	-	1,003,107.03	3,103,770.53	3,730,283.99	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	2,613,646.51	2,067,806.88	-	-	-	-	6,644,034.79	3,838,931.23	-	-	40,504.50	143,987.77	238,421.17	5,693,087.97	1,066,956.09	2,081,413.60	
Units redeemed during the year/period	-	-	-	-	-	-	(1,973,361.73)	(1,751,266.83)	-	-	-	-	(4,550,482.96)	(3,948,340.57)	-	-	(676,682.90)	(2,244,651.27)	(1,563,658.97)	(1,962,803.98)	(192,721.77)	(323,890.35)	
Number of units in issue at end of the year/period	-	-	-	-	-	-	<u>4,708,385.02</u>	<u>4,068,100.24</u>	-	-	-	-	<u>8,356,247.45</u>	<u>6,262,695.62</u>	-	-	<u>366,928.63</u>	<u>1,003,107.03</u>	<u>2,405,046.19</u>	<u>3,730,283.99</u>	<u>874,234.32</u>	<u>1,757,523.25</u>	
Class A Distributing (HK\$)																							
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	-	-	-	-	-	-	8,503,239.35	8,110,778.64	-	-	1,368,347.79	3,925,418.96	2,207,344.82	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	9,512,644.67	4,574,995.79	-	-	163,829.91	104,926.84	196,178.46	3,718,674.86	224,009.94	1,282,530.67	
Units redeemed during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	(6,860,739.45)	(4,182,535.08)	-	-	(1,047,778.15)	(2,661,998.01)	(1,136,946.14)	(1,511,330.04)	(136,142.25)	(523,843.39)	
Number of units in issue at end of the year/period	-	-	-	-	-	-	-	-	-	-	-	-	<u>11,155,144.57</u>	<u>8,503,239.35</u>	-	-	<u>484,399.55</u>	<u>1,368,347.79</u>	<u>1,266,577.14</u>	<u>2,207,344.82</u>	<u>87,867.69</u>	<u>758,687.28</u>	
Class A Distributing (RMB)																							
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	724,587.84	2,745,849.56	-	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	242,761.75	100,833.27	-	-	-	-	-
Units redeemed during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(556,182.17)	(2,122,094.99)	-	-	-	-	-
Number of units in issue at end of the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<u>411,167.42</u>	<u>724,587.84</u>	-	-	-	-	-

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

5 Capital management and units in issue (continued)

(a) Movement in units in issue (continued)

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽¹⁾		BEA Union Investment Global Flexi Allocation Fund ⁽²⁾	BEA Union Investment China High Yield Income Fund ⁽³⁾	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2016	
Class A Distributing Hedged (AUS)																							
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	126,832.82	161,121.65	-	-	-	-	4,052,351.03	4,180,492.87	-	-	-	-	1,006,419.17	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	221,521.78	83,618.64	-	-	-	-	6,636,600.85	2,641,092.09	-	-	-	-	174,771.94	2,029,959.98	-	-	117,698.24
Units redeemed during the year/period	-	-	-	-	-	-	(213,504.50)	(117,907.47)	-	-	-	-	(4,729,909.41)	(2,769,233.93)	-	-	-	-	(611,216.17)	(1,023,540.81)	-	-	(25,397.13)
Number of units in issue at end of the year/period	-	-	-	-	-	-	134,850.10	126,832.82	-	-	-	-	5,959,042.47	4,052,351.03	-	-	-	-	569,974.94	1,006,419.17	-	-	92,301.11
Class A Distributing Hedged (NZ\$)																							
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	-	-	-	-	-	-	684,688.75	91,133.57	-	-	-	-	371,881.11	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	2,251,990.94	813,878.04	-	-	-	-	216,588.85	575,728.33	-	-	-
Units redeemed during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	(1,068,593.95)	(220,322.86)	-	-	-	-	(390,301.00)	(203,847.22)	-	-	-
Number of units in issue at end of the year/period	-	-	-	-	-	-	-	-	-	-	-	-	1,868,085.74	684,688.75	-	-	-	-	198,168.96	371,881.11	-	-	-
Class A Distributing Hedged (RMB)																							
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	207,604.64	118,302.71	-	-	-	-	3,190,907.52	2,854,429.99	-	-	-	-	1,412,823.97	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	3,206,145.77	163,376.80	-	-	-	-	4,209,038.98	3,138,498.71	-	-	-	-	510,925.09	2,045,201.23	-	-	249,631.60
Units redeemed during the year/period	-	-	-	-	-	-	(796,772.70)	(74,074.87)	-	-	-	-	(3,448,850.56)	(2,802,021.18)	-	-	-	-	(1,646,978.70)	(632,377.26)	-	-	(19,380.50)
Number of units in issue at end of the year/period	-	-	-	-	-	-	2,616,977.71	207,604.64	-	-	-	-	3,951,095.94	3,190,907.52	-	-	-	-	276,770.36	1,412,823.97	-	-	230,251.10

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

5 Capital management and units in issue (continued)

(a) Movement in units in issue (continued)

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund ⁽¹⁾		BEA Union Investment Global Flexi Allocation Fund ⁽²⁾	BEA Union Investment China High Yield Income Fund ⁽³⁾
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2016
Class H Distributing (HKS)																						
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	21,696,632.76	46,861,131.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	17,221,003.70	2,458,175.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Units redeemed during the year/period	-	-	-	-	-	-	(10,206,624.53)	(27,622,673.94)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Number of units in issue at end of the year/period	-	-	-	-	-	-	28,711,011.93	21,696,632.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Class I																						
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	-	-	-	-	2,811,827.96	2,035,453.32	-	-	-	-	-	-	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	-	-	-	-	276,572.83	1,131,984.63	-	-	-	-	-	-	-	-	-	-
Units redeemed during the year/period	-	-	-	-	-	-	-	-	-	-	(115,416.99)	(355,609.99)	-	-	-	-	-	-	-	-	-	-
Number of units in issue at end of the year/period	-	-	-	-	-	-	-	-	-	-	2,972,983.80	2,811,827.96	-	-	-	-	-	-	-	-	-	-
Class P																						
Number of units in issue at beginning of the year/period	-	-	-	-	-	-	-	-	-	-	141,961.08	556,558.87	-	-	-	-	-	-	-	-	-	-
Units issued during the year/period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Units redeemed during the year/period	-	-	-	-	-	-	-	-	-	-	(24,630.54)	(414,597.79)	-	-	-	-	-	-	-	-	-	-
Number of units in issue at end of the year/period	-	-	-	-	-	-	-	-	-	-	117,330.54	141,961.08	-	-	-	-	-	-	-	-	-	-

⁽¹⁾ The date of commencement for BEA Union Investment Asia Pacific Flexi Allocation Fund was 6 February 2015.

⁽²⁾ The date of commencement for BEA Union Investment Global Flexi Allocation Fund was 27 January 2016.

⁽³⁾ The date of commencement for BEA Union Investment China High Yield Income Fund was 22 April 2016.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

5 Capital management and units in issue (continued)

(a) Movement in units in issue (continued)

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

The Sub-funds' objectives for managing capital are:

- To safeguard capital while achieving 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 Bank of East Asia (Trustees) Limited ("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.

- (b) According to the Explanatory Memorandum of the Sub-funds, Class A Distributing (HK\$) of BEA Union Investment Asia Pacific Multi Income Fund, Class H Distributing (HK\$) of BEA Union Investment Asian Bond and Currency Fund, Class A Accumulating (HK\$) of BEA Union Investment China Phoenix Fund, Class A Distributing (HK\$) of BEA Union Investment RMB Core Bond Fund, Class A Distributing (HK\$) of BEA Union Investment Asia Pacific Flexi Allocation Fund, Class A Distributing (HK\$) of BEA Union Investment Global Flexi Allocation Fund and Class A Distributing (HK\$) of BEA Union Investment China High Yield Income Fund are denominated in Hong Kong dollar for dealing, which is different from the presentation currency of these Sub-funds. The net asset values per unit for Class A Distributing (HK\$) of BEA Union Investment Asia Pacific Multi Income Fund, Class H Distributing (HK\$) of BEA Union Investment Asian Bond and Currency Fund, Class A Accumulating (HK\$) of BEA Union Investment China Phoenix Fund, Class A Distributing (HK\$) of BEA Union Investment RMB Core Bond Fund, Class A Distributing (HK\$) of BEA Union Investment Asia Pacific Flexi Allocation Fund, Class A Distributing (HK\$) of BEA Union Investment Global Flexi Allocation Fund and Class A Distributing (HK\$) of BEA Union Investment China High Yield Income Fund in their denomination currency at the end of the reporting period are HK\$103.88, HK\$11.18, HK\$79.18, HK\$85.97, HK\$86.62, HK\$102.57 and HK\$104.51 (2015: HK\$104.04, HK\$10.36, HK\$84.69, HK\$90.02, HK\$89.54, HK\$Nil and HK\$Nil) respectively.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

5 Capital management and units in issue (continued)

(b) (continued)

Class A Distributing Hedged (AU\$) of BEA Union Investment Asia Pacific Multi Income Fund, Class A Distributing Hedged (AU\$) of BEA Union Investment Asian Bond and Currency Fund, Class A Distributing Hedged (AU\$) of BEA Union Investment Asia Pacific Flexi Allocation Fund and Class A Distributing Hedged (AU\$) of BEA Union Investment China High Yield Income Fund are denominated in Australian dollar for dealing, which is different from the presentation currency of these sub-funds. The net asset value per unit for Class A Distributing Hedged (AU\$) of BEA Union Investment Asia Pacific Multi Income Fund, Class A Distributing Hedged (AU\$) of BEA Union Investment Asian Bond and Currency Fund, Class A Distributing Hedged (AU\$) of BEA Union Investment Asia Pacific Flexi Allocation Fund and Class A Distributing Hedged (AU\$) of BEA Union Investment China High Yield Income Fund at the end of the reporting period are AU\$8.97, AU\$10.66, AU\$8.33 and AU\$10.38 (2015: AU\$9.21, AU\$9.90, AU\$8.85 and AU\$Nil) respectively.

Class A Distributing Hedged (NZ\$) of BEA Union Investment Asia Pacific Multi Income Fund and Class A Distributing Hedged (NZ\$) of BEA Union Investment Asia Pacific Flexi Allocation Fund are denominated in New Zealand dollar, which is different from the presentation currency of the sub-fund. The net asset value per unit for Class A Distributing Hedged (NZ\$) of BEA Union Investment Asia Pacific Multi Income Fund and Class A Distributing Hedged (NZ\$) of BEA Union Investment Asia Pacific Flexi Allocation Fund at the end of the reporting period are NZ\$9.03 and NZ\$8.42 (2015: NZ\$9.36 and NZ\$8.88) respectively.

Class A Distributing Hedged (RMB) of BEA Union Investment Asia Pacific Multi Income Fund, Class A Distributing Hedged (RMB) of BEA Union Investment Asian Bond and Currency Fund, Class A Accumulating Hedged (RMB) of BEA Union Investment China Phoenix Fund, Class A Distributing Hedged (RMB) of BEA Union Investment Asia Pacific Flexi Allocation Fund and Class A Distributing Hedged (RMB) of BEA Union Investment China High Yield Income Fund are denominated in RMB, which is different from the presentation currency of these sub-funds. The net asset value per unit for Class A Distributing Hedged (RMB) of BEA Union Investment Asia Pacific Multi Income Fund, Class A Distributing Hedged (RMB) of BEA Union Investment Asian Bond and Currency Fund, Class A Accumulating Hedged (RMB) of BEA Union Investment China Phoenix Fund, Class A Distributing Hedged (RMB) of BEA Union Investment Asia Pacific Flexi Allocation Fund and Class A Distributing Hedged (RMB) of BEA Union Investment China High Yield Income Fund at the end of the reporting period are ¥92.74, ¥108.35, ¥79.96, ¥86.97 and ¥104.25 (2015: ¥93.12, ¥100.65, ¥84.19, ¥90.21 and ¥Nil) respectively.

Class A Distributing (US\$) of BEA Union Investment RMB Core Bond Fund is denominated in USD, which is different from the presentation currency of the sub-fund. The net asset value per unit for Class A Distributing (US\$) of BEA Union Investment RMB Core Bond Fund at the end of the reporting period is US\$8.61 (2015: US\$9.01).

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

6 Net asset value of the Sub-funds

The Trustee and the Manager would like to highlight that the net asset value presented in the financial statements and that quoted for pricing purposes at the date of the statement of assets and liabilities (“Dealing NAV”) are different due to the principles for calculating the Dealing NAV as set out in the Explanatory Memorandum document being different from that as stated in note 2(d) and required for financial reporting purposes. The following reconciliation provides details of these differences:

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment China High Yield Income Fund
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	RMB	RMB	US\$	US\$	US\$	US\$
NAV as reported in the financial statements as at 31 December	375,872	452,061	9,226,008	9,683,542	1,331,220	1,609,630	246,798,150	105,956,167	110,667	128,545	37,838,538	47,771,980	344,909,134	260,610,661	19,440,012	26,161,185	100,001,730	234,136,910	45,558,095	88,967,732	10,176,350	32,742,801
Use of latest available traded pricing instead of bid pricing in valuing investment	-	-	3,989	5,691	1,537	235	863,405	417,017	93	30	11,767	145,144	887,472	816,571	17,840	125,333	325,111	847,699	56,464	89,919	13,267	104,708
Dealing NAV as at 31 December	<u>375,872</u>	<u>452,061</u>	<u>9,229,997</u>	<u>9,689,233</u>	<u>1,332,757</u>	<u>1,609,865</u>	<u>247,661,555</u>	<u>106,373,184</u>	<u>110,760</u>	<u>128,575</u>	<u>37,850,305</u>	<u>47,917,124</u>	<u>345,796,606</u>	<u>261,427,232</u>	<u>19,457,852</u>	<u>26,286,518</u>	<u>100,326,841</u>	<u>234,984,609</u>	<u>45,614,559</u>	<u>89,057,651</u>	<u>10,189,617</u>	<u>32,847,509</u>

7 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, the Trustee and their Connected Persons were entered into in the ordinary course of business and under normal commercial terms. 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) Bank accounts are maintained with The Bank of East Asia, Limited which is the immediate parent and ultimate holding company of the Manager and the Trustee. The balances of these accounts arising therefrom for the year/period are set out below:

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment China High Yield Income Fund
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	RMB	RMB	US\$	US\$	US\$	US\$
At 31 December:																						
Bank balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105</u>	<u>5</u>	<u>2,581</u>	<u>1,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

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

(b) BEA Union Investment Management Limited, the Manager of the Sub-funds, The Bank of East Asia (Nominees) Limited and The Bank of East Asia (China) Limited which are the fellow subsidiaries and The Bank of East Asia, Limited which is the immediate parent and ultimate holding company of the Manager and the Trustee, held the following units of the Sub-funds as at the end of the reporting period on behalf of their clients. BEA Life limited and Blue Cross (Asia Pacific) Insurance Limited which are the fellow subsidiaries of the Manager and the Trustee, held the following units of the Sub-funds as at the end of the reporting period.

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment China High Yield Income Fund	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	
BEA Union Investment Management Limited																							
- Class A Accumulating Hedged (RMB)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000.00	30,000.00	-	-	-	-	-	-	-
The Bank of East Asia (Nominees) Limited																							
- Class A	47,300.33	51,430.53	402,163.59	441,720.89	1,333,372.33	1,973,117.65	-	-	16,479.67	16,870.86	133,330.96	598,519.92	-	-	-	-	-	-	-	-	-	-	-
- Class A Accumulating (US\$)	-	-	-	-	-	-	297,737.75	136,848.09	-	-	-	-	220,425.11	65,280.87	747,278.74	895,360.85	-	-	156,724.85	77,177.56	-	-	-
- Class A Accumulating (HK\$)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	496,383.36	725,410.43	-	-	-	-	-	-	-
- Class A Accumulating Hedged (RMB)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	102,098.37	131,666.07	-	-	-	-	-	-	-
- Class A Distributing (US\$)	-	-	-	-	-	-	1,940,791.04	1,652,871.10	-	-	-	-	8,191,360.88	6,187,134.39	-	-	366,928.63	1,003,107.03	2,358,987.60	3,197,313.64	544,905.74	1,706,992.64	-
- Class A Distributing (HK\$)	-	-	-	-	-	-	-	-	-	-	-	-	10,941,349.68	8,369,343.57	-	-	484,399.55	1,368,347.79	1,264,447.25	2,207,344.82	86,899.46	728,173.74	-
- Class A Distributing (RMB)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	411,167.42	724,587.84	-	-	-	-	-
- Class A Distributing Hedged (AU\$)	-	-	-	-	-	-	128,191.37	126,832.82	-	-	-	-	5,953,623.71	4,052,351.03	-	-	-	-	569,974.94	1,006,419.17	-	90,576.15	-
- Class A Distributing Hedged (NZ\$)	-	-	-	-	-	-	-	-	-	-	-	-	1,868,085.74	620,421.40	-	-	-	-	198,168.96	371,881.11	-	-	-
- Class A Distributing Hedged (RMB)	-	-	-	-	-	-	163,867.35	18,087.22	-	-	-	-	3,698,296.77	3,051,650.04	-	-	-	-	255,226.75	1,387,387.72	-	227,587.54	-
- Class H Distributing (HK\$)	-	-	-	-	-	-	22,972,969.44	20,272,652.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Class P	-	-	-	-	-	-	-	-	-	-	117,330.54	141,961.08	-	-	-	-	-	-	-	-	-	-	-
	<u>47,300.33</u>	<u>51,430.53</u>	<u>402,163.59</u>	<u>441,720.89</u>	<u>1,333,372.33</u>	<u>1,973,117.65</u>	<u>25,503,556.95</u>	<u>22,207,291.64</u>	<u>16,479.67</u>	<u>16,870.86</u>	<u>250,661.50</u>	<u>740,481.00</u>	<u>30,873,141.89</u>	<u>22,346,181.30</u>	<u>1,345,760.47</u>	<u>1,752,437.35</u>	<u>1,262,495.60</u>	<u>3,096,042.66</u>	<u>4,803,530.35</u>	<u>8,247,524.02</u>	<u>631,805.20</u>	<u>2,753,330.07</u>	
The Bank of East Asia (China) Limited																							
- Class A	-	-	202,732.50	226,395.59	321,006.84	355,803.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Class A Accumulating (US\$)	-	-	-	-	-	-	2,334,494.14	389,630.09	-	-	-	-	205,701.65	305,552.21	-	-	-	-	114,917.47	129,892.77	-	-	-
- Class A Accumulating (HK\$)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	676,214.51	781,097.98	-	-	-	-	-	-	-
- Class A Distributing (US\$)	-	-	-	-	-	-	1,497,300.71	311,510.90	-	-	-	-	132,822.52	66,941.99	-	-	-	-	46,058.59	49,411.36	-	-	-
- Class A Distributing Hedged (RMB)	-	-	-	-	-	-	2,385,507.69	167,667.38	-	-	-	-	207,879.70	136,521.72	-	-	-	-	21,543.61	25,436.25	-	-	-
	<u>-</u>	<u>-</u>	<u>202,732.50</u>	<u>226,395.59</u>	<u>321,006.84</u>	<u>355,803.46</u>	<u>6,217,302.54</u>	<u>868,808.37</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>546,403.87</u>	<u>509,015.92</u>	<u>676,214.51</u>	<u>781,097.98</u>	<u>-</u>	<u>-</u>	<u>182,519.67</u>	<u>204,740.38</u>	<u>-</u>	<u>-</u>	<u>-</u>
The Bank of East Asia, Limited																							
- Class I	-	-	-	-	-	-	-	-	-	-	1,609,313.51	1,609,313.51	-	-	-	-	-	-	-	-	-	-	-
BEA Life Limited																							
- Class I	-	-	-	-	-	-	-	-	-	-	1,116,714.56	885,913.50	-	-	-	-	-	-	-	-	-	-	-
Blue Cross (Asia Pacific) Insurance Limited																							
- Class I	-	-	-	-	-	-	-	-	-	-	230,196.90	246,071.13	-	-	-	-	-	-	-	-	-	-	-

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

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

- (c) The Manager is entitled to receive investment management fees, determined at the rates stated below on the net asset value of each sub-fund, accrued on and calculated at each dealing day. The investment management fees are payable monthly in arrears.

The rates of investment management fees charged to each individual sub-fund are as follows:

	Rate per annum
BEA Union Investment Global Themes Fund – Class A	1.50%
BEA Union Investment Global Resources Fund – Class A	1.50% (Note 1)
BEA Union Investment Asian Bond and Currency Fund – Class A	1.00%
BEA Union Investment Asian Bond and Currency Fund – Class H	1.00%
BEA Union Investment Four Seasons Fund	1.75% (Note 2)
BEA Union Investment China A-Share Equity Fund – Class A	1.75%
BEA Union Investment China A-Share Equity Fund – Class I	1.50%
BEA Union Investment China A-Share Equity Fund – Class P	1.75%
BEA Union Investment Asia Pacific Multi Income Fund – Class A	1.20%
BEA Union Investment China Phoenix Fund – Class A	1.75%
BEA Union Investment RMB Core Bond Fund – Class A	1.00%
BEA Union Investment Asia Pacific Flexi Allocation Fund – Class A	1.50%
BEA Union Investment Global Flexi Allocation Fund	1.50%
BEA Union Investment China High Yield Income Fund	1.20%

Notes:

- (1) The investment management fee for BEA Union Investment Global Resources Fund was waived with effective from 1 September 2015.
- (2) The investment management fee for BEA Union Investment Four Seasons Fund was waived with effect from 30 April 2013.

For BEA Union Investment Japan Growth Fund, the Manager received investment management fees determined at 1.50% per annum on the net asset value of the sub-fund, less management fees charged by the manager of the underlying fund, FIL Investment Management (Hong Kong) Limited, which are determined at 0.50% (2015: 0.50%) per annum of the investments, accrued on and calculated at each dealing day.

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, investment management fees payable for each sub-fund is as below:

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment China High Yield Income Fund
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2016
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	RMB	RMB	US\$	US\$	US\$	US\$
Investment management fees payable	482	574	11,753	12,430	-	-	214,315	90,488	-	-	49,955	63,666	351,897	266,062	29,331	39,219	88,164	207,121	58,844	111,469	12,927	32,881

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

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

- (d) The Trustee is entitled to receive trustee's fees, determined at the rates stated below on the net asset value of each sub-fund, accrued on and calculated at each dealing day. The trustee's fees are payable monthly in arrears.

The rates of trustee's fees charged to each individual sub-fund are as follows:

	Rate per annum
BEA Union Investment Japan Growth Fund	0.125%
BEA Union Investment Global Themes Fund	0.175%
BEA Union Investment Global Resources Fund	0.175%
BEA Union Investment Asian Bond and Currency Fund	0.125%
BEA Union Investment Four Seasons Fund	0.175%
BEA Union Investment China A-Share Equity Fund	0.175%
BEA Union Investment Asia Pacific Multi Income Fund	0.150%
BEA Union Investment China Phoenix Fund	0.175%
BEA Union Investment RMB Core Bond Fund	0.125%
BEA Union Investment Asia Pacific Flexi Allocation Fund	0.150%
BEA Union Investment Global Flexi Allocation Fund	0.150%
BEA Union Investment China High Yield Income Fund	0.150%

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:

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment China High Yield Income Fund
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2016
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	RMB	RMB	US\$	US\$	US\$	US\$
Trustee's fees payable	40	48	1,371	1,450	197	245	26,789	11,311	17	19	5,761	7,195	43,987	33,258	2,933	3,922	11,020	25,890	5,884	11,147	1,293	4,110

- (e) With effect from 8 April 2013, the Trustee has delegated the registrar function to the Manager and agreed with the Manager to receive the full registrar's fee from the Sub-funds directly. The fees are payable monthly in arrears at the higher of (i) and (ii) below:

(i)

Net asset value

First US\$50 million	0.050%
Next US\$10 million	0.045%
Next US\$10 million	0.040%
Next US\$10 million	0.035%
Next US\$10 million	0.030%
Next US\$10 million	0.025%
Remainder	0.015%

(ii) A minimum of US\$3,000 per annum.

Note: The registrar's fees for BEA Union Investment Japan Growth Fund, BEA Union Investment Global Resources Fund and BEA Union Investment Four Seasons Fund were not subject to a minimum of US\$3,000 per annum for 2015 and 2016.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

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

(e) (continued)

(ii) (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:

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment China High Yield Income Fund
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	RMB	RMB	US\$	US\$	US\$	US\$
Registrar's fees payable	16	19	392	414	56	70	5,544	3,693	5	6	1,646	2,056	6,728	5,661	838	1,121	4,408	10,356	1,961	3,333	431	1,370

(f) Investments

During the year/period ending 2016, BEA Union Investment China Phoenix Fund had invested in BEA Union Investment China A-Share Equity Fund, and BEA Union Investment Asia Pacific Multi Income Fund, BEA Union Investment RMB Core Bond Fund, BEA Union Investment Asia Pacific Flexi Allocation Fund and BEA Union Investment Global Flexi Allocation Fund had invested in BEA Union Investment Asian Bond and Currency Fund, and BEA Union Investment Global Themes Fund, BEA Union Investment Asia Pacific Multi Income Fund and BEA Union Investment Asia Pacific Flexi Allocation Fund had invested in BEA Union Investment Global Flexi Allocation Fund, investment funds managed by the Manager and entrusted by the Trustee. Details of the transactions are shown below:

2016

Name of related unitholders	BEA Union Investment Global Themes Fund	BEA Union Investment Asia Pacific Multi Income Fund	BEA Union Investment Asia Pacific Multi Income Fund	BEA Union Investment China Phoenix Fund	BEA Union Investment RMB Core Bond Fund	BEA Union Investment Asia Pacific Flexi Allocation Fund	BEA Union Investment Asia Pacific Flexi Allocation Fund	BEA Union Investment Global Flexi Allocation Fund
Name of investee funds	BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment Asian Bond and Currency Fund	BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment China A-Share Equity Fund	BEA Union Investment Asian Bond and Currency Fund	BEA Union Investment Asian Bond and Currency Fund	BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment Asian Bond and Currency Fund
Number of units held as at year/period end	49,950.04	55,388.46	229,378.54	16,758.83	77,751.31	558,924.89	50,000.00	74,096.19
Market value of units held as at year/period end	US\$ 515,484	US\$ 778,201	US\$ 2,367,191	US\$ 198,427	RMB 7,610,327	US\$ 7,852,896	US\$ 516,000	US\$ 1,041,049
Total sales during the year/period	US\$ –	US\$ –	US\$ 750,000	US\$ 626,432	RMB 15,302,779	US\$ 9,450,225	US\$ –	US\$ 154,268
Total purchase during the year/period	US\$ 500,000	US\$ –	US\$ 3,000,000	US\$ –	RMB –	US\$ –	US\$ 500,000	US\$ 1,100,000

During the year/period ending 2015, BEA Union Investment China Phoenix Fund had invested in BEA Union Investment China A-Share Equity Fund, and BEA Union Investment Asia Pacific Multi Income Fund, BEA Union Investment RMB Core Bond Fund and BEA Union Investment Asia Pacific Flexi Allocation Fund had invested in BEA Union Investment Asian Bond and Currency Fund, investment funds managed by the Manager and entrusted by the Trustee. Details of the transactions are shown below:

2015

Name of related unitholders	BEA Union Investment Asia Pacific Multi Income Fund	BEA Union Investment China Phoenix Fund	BEA Union Investment RMB Core Bond Fund	BEA Union Investment Asia Pacific Flexi Allocation Fund
Name of investee funds	BEA Union Investment Asian Bond and Currency Fund	BEA Union Investment China A-Share Equity Fund	BEA Union Investment Asian Bond and Currency Fund	BEA Union Investment Asian Bond and Currency Fund
Number of units held as at year/period end	55,388.46	70,529.82	242,199.29	1,249,294.54
Market value of units held as at year/period end	US\$ 721,152	US\$ 978,954	RMB 20,714,775	US\$ 16,265,821
Total sales during the year/period	US\$ –	US\$ –	RMB 2,597,976	US\$ 1,274,263
Total purchase during the year/period	US\$ 717,835	US\$ –	RMB 22,733,169	US\$ 17,800,334

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

8 Taxation

No provision for Hong Kong Profits Tax has been made in the financial statements as the income of the Sub-funds is exempt from taxation under S26A(1A) of the Hong Kong Inland Revenue Ordinance.

Capital gains, interest and dividend income including share dividend received by the Sub-funds may be subject to non-recoverable withholding tax imposed on the country of origin. Capital gains and investment income are recorded gross of withholding tax in profit or loss.

Under the general provisions of the PRC Corporate Income Tax Law and published tax circulars, the Sub-funds would be subject to PRC withholding tax at the rate of 10% in respect of its PRC sourced income earned, including capital gains realised on the sale of PRC listed companies (subject to the special tax treatment under Caishui [2014] No.79 ("Circular 79") as discussed below), dividend income derived from PRC listed companies and interest income earned in respect of PRC bank deposits and corporate bonds. This withholding taxation basis should apply as it is intended that the Sub-funds would be managed and operated in such a manner that they would not be considered as a tax resident enterprise in China or otherwise as having a taxable establishment in the PRC.

The Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission of the PRC have jointly issued Circular 79 dated 31 October 2014 – "The Circular on issues concerning the temporary exemption from the imposition of PRC Corporate Income Tax ("PRC CIT") on gains derived by Qualified Foreign Institutional Investors ("QFIs") and RMB Qualified Foreign Institutional Investors ("RQFIs") from the transfer of PRC equity interest investments such as PRC domestic stocks". Circular 79 states that:

- (i) with effect from 17 November 2014, gains derived by QFIs and RQFIs from the transfer of PRC equity interest investments such as PRC domestic stocks are temporarily exempt from the PRC CIT; and
- (ii) PRC CIT is imposed on the said gains derived by QFIs and RQFIs prior to 17 November 2014 in accordance with law.

Circular 79 applies to QFIs and RQFIs without an establishment or place of business, or permanent establishment ("PE") under an applicable tax treaty, in mainland China or QFI/RQFI that has a PE in mainland China but the said gains are not actually connected to such PE.

The Sub-funds' Explanatory Memorandum gives the Manager the right to provide for withholding tax on such gains or income and withhold the tax for the account of the Sub-funds. On the basis of the available information, the Manager has determined that it is appropriate to provide for PRC taxation at the withholding tax rate of 10% on realised gains on A-shares through QFI prior to 17 November 2014; dividend income from A shares and H-shares; and interest income from corporate bonds in the financial statements. On 4 February 2016, the PRC capital gain tax of BEA Union Investment China A-Share Equity Fund has been finalised to report to PRC tax authorities. The Manager has determined and agreed with the Trustee that the reported amount is the required amount to discharge the sub-fund's PRC capital gain tax liabilities, under the independent professional advice from the tax advisor of the sub-fund. During the year/period ending 2016 and 2015, only BEA Union Investment China A-Share Equity Fund obtained exposure to A shares by using the QFI quota of the Manager. Details of taxation in profit or loss and the statement of assets and liabilities and the movement of deferred tax liabilities during the year/period for the Sub-funds are disclosed as below.

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BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

8 Taxation (continued)

	BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Transaction in profit or loss represents:															
Current tax – PRC withholding tax	-	-	-	-	-	-	70,654	60,751	-	-	-	-	-	-	-
Current tax – Overseas withholding tax	44,469	39,133	3,835	10,137	21,306	1,167	-	-	853,721	303,926	40,307	53,409	349,156	175,826	29,524
Reversal of PRC capital gain tax ⁽¹⁾	-	-	-	-	-	-	(882,061)	-	-	-	-	-	-	-	-
	<u>44,469</u>	<u>39,133</u>	<u>3,835</u>	<u>10,137</u>	<u>21,306</u>	<u>1,167</u>	<u>(811,407)</u>	<u>60,751</u>	<u>853,721</u>	<u>303,926</u>	<u>40,307</u>	<u>53,409</u>	<u>349,156</u>	<u>175,826</u>	<u>29,524</u>
Provision for taxation in the statement of assets and liabilities represents:															
Current tax – PRC withholding tax	-	-	-	-	-	-	-	934,978	-	-	-	-	-	-	-
Current tax – Overseas withholding tax	-	382	-	61	-	-	-	-	-	-	-	-	-	-	-

⁽¹⁾ The Manager made a tax declaration according to the Double Taxation Agreement between China and Hong Kong on 28 July 2015 and reversed the PRC capital gain tax upon the approval of the tax declaration during the year ended 31 December 2016.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

9 Bank overdraft

The overdraft is interest-bearing, unsecured and repayable on demand.

10 Soft commission arrangements

During the year/period, the Sub-funds had no soft commission arrangements with the brokers.

11 Contingent liabilities and commitment

The Sub-funds had no contingent liabilities or commitment as at 31 December 2016 and 2015.

12 Fair value information

The Sub-funds' financial instruments are measured at fair value on the date of the statement of assets and liabilities. Fair value estimates are made at a specified point in time, based on market conditions and information about the financial instruments. Usually, fair values can be reliably determined within a reasonable range of estimates. For certain other financial instruments, including dividend receivables, amounts receivable from sale of investments, amounts receivable on subscription, bank interest receivables, other receivables, amounts due from brokers, amounts payable on redemption, amounts payable for purchase of investments and accruals and other payables, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

13 Financial instruments and associated risks

The Sub-funds maintain positions in a variety of financial instruments as dictated by its investment management strategy. The Sub-funds' investment portfolios comprise listed equity investments, listed real estate investment trusts, listed and quoted debt securities, participatory notes, investment funds, non-voting depository receipts and rights that the Sub-funds intend to hold for an indefinite period of time.

Asset allocation is determined by the Manager to achieve the investment objectives. Divergence from target asset allocations and the composition of the portfolio is monitored by the Manager. In instances where the portfolio has diverged from target asset allocation, the Manager will rebalance the portfolio to align with the target asset allocation.

The nature and extent of the financial instruments outstanding at the date of the statement of assets and liabilities and the risk management policies employed by the Sub-funds 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 is driven by the Sub-funds' investment objectives.

The investment objective of the BEA Union Investment Japan Growth Fund is to achieve long-term capital growth through investing in a Japan equity fund (Fidelity Global Investment Fund – Japanese Equity Fund) managed by reputable specialist fund manager and aiming to focus investment into the equity market of Japan, to produce returns that are related to those achieved on the major stock market indices of Japan, to have the flexibility to invest in bonds in a limited manner, and to manage the volatility of returns in the short term.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) Market risk (continued)

The investment objective of the BEA Union Investment Global Themes Fund is to seek long-term growth of capital through a diversified international portfolio of marketable securities, primarily equity securities, including common stocks, preferred stocks, warrants and debt securities convertible into common stocks.

The investment objective of the BEA Union Investment Global Resources Fund is to seek long-term growth of capital through a diversified international portfolio of marketable securities, primarily equity securities and equity linked securities, including common stocks, preferred stocks, warrants, equity deposits, equity linked notes and debt securities convertible into common stocks with a business focus on mining, agriculture, forestry, extraction of energy, oil and gas, exploration, processing and distribution, commodity-related industries, recycling, and renewable energy.

The investment objective of the BEA Union Investment Asian Bond and Currency Fund is to seek regular interest income, capital gains and currency appreciation from an actively managed portfolio of debt securities denominated in Asian or other currencies and primarily issued by Asian governments and corporate entities. Debt securities invested by the sub-fund may include convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupons and discount bonds; transferable notes, asset-backed securities, commercial papers, certificates of deposit of variable or fixed interest rates listed, traded, or dealt in regulated markets or exchanges; as well as bank deposits, negotiated term deposits, short term bills and notes.

The investment objective of the BEA Union Investment Four Seasons Fund is to seek to achieve short term capital stability, and the potential for capital growth over the medium to long term through investing in a dynamically allocated portfolio of marketable equity and debt securities consisting of equity securities and equity linked securities, including common stocks, preferred stocks, warrants, equity deposits, equity linked notes, and debt securities issued by government or corporate entities.

The investment objective of the BEA Union Investment China A-Share Equity Fund is to seek long-term capital growth by investing primarily in a diversified portfolio of securities of companies which have their principal place of business or key assets located in China or which derive a substantial part of their revenue from China. The sub-fund invests at least 70% of its total assets in China A-Shares listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange ("Equity Securities"), and not more than 30% of its total assets in Renminbi denominated government and corporate bonds ("RMB Bonds"), China B-Shares, China H-Shares, securities investment funds or collective investment schemes, warrants listed and traded on a stock exchange, initial public offerings, money market instruments and cash or cash equivalents in accordance with applicable investment restrictions. Currently, the sub-fund obtains exposure to Equity Securities and RMB Bonds primarily by using the QFII quotas of the Manager and via the Stock Connects.

The investment objective of the BEA Union Investment Asia Pacific Multi Income Fund is to seek income and long-term capital growth through investing in an actively managed portfolio of debt securities, listed real estate investment trusts and other listed securities including equities and managed funds, that are issued or traded in the Asia Pacific region or which have significant operations in, or derive or are expected to derive a significant portion of their revenues from, the Asia Pacific region. Debt securities invested by the sub-fund are primarily capital securities and preference shares with fixed income features convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, asset-backed securities, commercial paper, certificates of deposits of variable or fixed interest rates, listed, traded or dealt in regulated markets or exchanges, as well as bank deposits, negotiated term deposits, short term bills and notes.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) **Market risk (continued)**

The investment objective of the BEA Union Investment China Phoenix Fund is to seek long-term capital appreciation through investing primarily in listed securities of companies that are expected to benefit from or have exposure to the economic growth of mainland China. At least 70% of the sub-fund's non-cash assets will be invested in securities listed, traded or dealt with on the stock exchanges in Hong Kong and China. The securities that may be invested by the sub-fund will be primarily equity securities and equity linked securities, including common stocks, preferred stocks, warrants, equity deposits, equity linked notes, debt securities convertible into common stocks and managed funds. The sub-fund may also invest in money market instruments and cash. The sub-fund will focus on active management by stock selection, timing, management of exposure and sector allocation.

The investment objective of the BEA Union Investment RMB Core Bond Fund is to seek income and long-term capital growth by investing in debt securities and other assets that are denominated in RMB and other currencies. The sub-fund's assets will be invested primarily in RMB denominated debt securities, bonds and deposits issued or distributed outside mainland China. Debt securities invested by the sub-fund are primarily capital securities and preference shares with fixed income features convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, asset-backed securities, commercial paper, certificates of deposits of variable or fixed interest rates, listed, traded or dealt in regulated markets or exchanges, as well as bank deposits, negotiated term deposits, short term bills and notes.

The investment objective of the BEA Union Investment Asia Pacific Flexi Allocation Fund is to seek long-term capital growth and income through investing in equity securities or debt securities, that are either (a) traded in the Asia Pacific region or (b) issued by companies incorporated in the Asia Pacific region or companies which have significant operations in or derive significant portion of revenue from the Asia Pacific region. Equity Securities include but are not limited to equities (e.g. ordinary shares and preferred shares), real estate investment trusts ("REITs"), exchange traded funds ("ETFs") and managed funds. Debt Securities will be primarily capital securities and preference shares with fixed income features convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, commercial paper, certificates of deposits of variable or fixed interest rates, listed, traded or dealt in regulated markets or exchanges, short term bills and notes, as well as managed funds.

The investment objective of the BEA Union Investment Global Flexi Allocation Fund is to seek medium to long term capital growth and income through investing in a diversified portfolio consisting of global equity securities and/or debt securities in global markets, mainly developed markets, but may also in emerging markets. Equity securities include but are not limited to equities (e.g. ordinary shares and preferred shares), real estate investment trusts ("REITs"), Exchange Traded Funds ("ETFs") and managed funds. Debt Securities include capital securities and preference shares with fixed income features, convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, commercial papers, certificates of deposits of variable or fixed interest rates, listed, traded or dealt in regulated markets or exchanges, short term bills and notes, as well as managed funds.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) **Market risk (continued)**

The investment objective of the BEA Union Investment China High Yield Income Fund is to seek medium to long term capital growth and regular income by primarily (i.e. at least 70% of its non-cash assets) investing in high yield debt securities that are issued or guaranteed by entities which are incorporated in China or have significant operations in or assets in, or derive significant portion of revenue or profits from China. Debt Securities are primarily issued outside mainland China, and include but not limited to convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, commercial papers, certificates of deposits of variable or fixed interest rates, listed, traded or dealt in regulated markets or exchanges, capital securities with fixed income features (e.g. perpetual bonds and subordinated debts), preference shares with fixed income features, as well as short term bills and notes.

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 date of the statement of assets and liabilities are disclosed in the investment report.

(i) **Currency risk**

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

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 Japan Growth Fund is not subject to direct currency risk as its assets and liabilities are mainly denominated in Hong Kong dollar ("HKD") and United States dollar ("USD") only. In view of the pegging of HKD to USD the sub-fund does not expect any significant movement in USD/HKD exchange rate.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) **Market risk (continued)**

(i) **Currency risk (continued)**

Sensitivity analysis

Net direct exposure of each sub-fund except for BEA Union Investment RMB Core Bond Fund to each currency other than USD and HKD at the reporting date and their estimated impact to net assets attributable to unitholders and the total comprehensive income for the year/period had the USD weakened/strengthened by 5% (2015: 5%) are illustrated below. The analysis is performed on the same basis as 2015.

As at 31 December

	BEA Union Investment Global Themes Fund 2016		2015	
	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$
Australian Dollar	–	–	352,974	17,649
British Pound	888,691	44,435	653,431	32,672
Canadian Dollar	617,524	30,876	–	–
Euro	597,434	29,872	959,939	47,997
Indonesian Rupiah	962	48	–	–
Japanese Yen	573,589	28,679	656,511	32,826
Korean Won	287,450	14,373	–	–
New Taiwan Dollar	281,738	14,087	–	–
Swiss Franc	537,026	26,851	683,352	34,168

	BEA Union Investment Global Resources Fund 2016		2015	
	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$
Australian Dollar	73,564	3,678	–	–
British Pound	418,684	20,934	548,201	27,410
Canadian Dollar	176,210	8,811	41,350	2,068
Danish Krone	55,204	2,760	–	–
Euro	125,075	6,254	430,196	21,510
Norwegian Krone	49,472	2,474	81,572	4,079
Swedish Krona	103,834	5,192	135,612	6,781
Swiss Franc	68,663	3,433	–	–

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) **Market risk (continued)**

(i) **Currency risk (continued)**

Sensitivity analysis (continued)

As at 31 December (continued)

	BEA Union Investment Asian Bond and Currency Fund 2016		2015	
	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$
Australian Dollar	1,267,492	63,375	1,028,219	51,411
Euro	7,288	364	7,543	377
Indonesian Rupiah	214,027	10,701	–	–
Japanese Yen	1,286,386	64,319	312	16
Malaysian Ringgit	46,494	2,325	–	–
Renminbi (Offshore)	42,416,912	2,120,846	3,277,572	163,879
Renminbi (Onshore)	376	19	–	–
Singapore Dollar	3,142	157	485	24

	BEA Union Investment Four Seasons Fund 2016		2015	
	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$
Singapore Dollar	77,428	3,871	80,300	4,015

	BEA Union Investment China A-Share Equity Fund 2016		2015	
	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$
Renminbi (Offshore)	6,206,712	310,336	9,959,875	497,994
Renminbi (Onshore)	29,562,098	1,478,105	37,401,593	1,870,080

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

As at 31 December (continued)

	BEA Union Investment Asia Pacific Multi Income Fund 2016		2015	
	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$
Australian Dollar	100,257,080	5,012,854	75,225,572	3,761,279
Indonesian Rupiah	1,427,037	71,352	–	–
Japanese Yen	1,286,064	64,303	–	–
Korean Won	6,351,439	317,572	–	–
New Taiwan Dollar	11,352,198	567,610	–	–
New Zealand Dollar	14,894,825	744,741	4,588,436	229,422
Renminbi (Offshore)	52,754,030	2,637,702	45,027,635	2,251,382
Singapore Dollar	19,203,812	960,191	26,138,442	1,306,922
Thai Baht	16,039,075	801,954	–	–

	BEA Union Investment China Phoenix Fund 2016		2015	
	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$
Australian Dollar	611	31	607	30
New Taiwan Dollar	266,406	13,320	100,360	5,018
Renminbi (Offshore)	2,115,666	105,783	3,097,054	154,853

	BEA Union Asia Pacific Flexi Allocation Fund 2016		2015	
	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$
Australian Dollar	10,244,886	512,244	18,971,952	948,598
Indian Rupee	2,838,114	141,906	7,278,530	363,927
Indonesian Rupiah	2,867,566	143,378	5,132,837	256,642
Korean Won	5,895,120	294,756	7,508,720	375,436
Malaysian Ringgit	1,389,106	69,455	2,420,060	121,003
New Taiwan Dollar	5,524,613	276,231	7,259,161	362,958
New Zealand Dollar	1,149,392	57,470	2,255,602	112,780
Renminbi (Offshore)	3,378,757	168,938	20,394,585	1,019,729
Singapore Dollar	1,411,403	70,570	2,600,831	130,042

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

As at 31 December (continued)

	BEA Union Investment Global Flexi Allocation Fund 2016	
	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$
Australian Dollar	96	5
British Pound	724,040	36,202
Canadian Dollar	470,416	23,521
Danish Krone	1	–
Euro	482,344	24,117
Japanese Yen	473,984	23,699
Korean Won	239,477	11,974
New Taiwan Dollar	230,259	11,513
Swiss Franc	480,812	24,041

	BEA Union Investment China High Yield Income Fund 2016	
	Net direct exposure US\$	Estimated increase had USD weakened by 5% US\$
Australian Dollar	712,523	35,626
Renminbi (Offshore)	3,432,638	171,632

A 5% appreciation of USD 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 SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

BEA Union Investment RMB Core Bond Fund's net direct exposure to each currency other than RMB at the reporting date and its estimated impact to net assets attributable to unitholders and the total comprehensive income for the period had the RMB weakened/strengthened by 5% are illustrated below.

As at 31 December

	BEA Union Investment RMB Core Bond Fund			
	2016		2015	
	Net direct exposure RMB	Estimated increase had RMB weakened by 5%	Net direct exposure RMB	Estimated increase had RMB weakened by 5%
Hong Kong Dollar	(53,489)	(2,674)	272,594	13,630
United States Dollar	<u>5,216,318</u>	<u>260,816</u>	<u>6,277,906</u>	<u>313,895</u>

A 5% appreciation of RMB 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.

(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 gains or losses to the Sub-funds.

Except for BEA Union Investment Asian Bond and Currency Fund, BEA Union Investment Asia Pacific Multi Income Fund, BEA Union Investment RMB Core Bond Fund, BEA Union Investment Asia Pacific Flexi Allocation Fund, BEA Union Investment Global Flexi Allocation Fund and BEA Union Investment China High Yield Income Fund, all the other sub-funds did not have any interest-bearing liabilities as at year/period-end and their interest-bearing assets were limited to bank deposits; accordingly it is considered that they do not have significant direct interest rate risk exposure.

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

The following table summarises the interest rate risk exposure of BEA Union Investment Asian Bond and Currency Fund, BEA Union Investment Asia Pacific Multi Income Fund, BEA Union Investment RMB Core Bond Fund, BEA Union Investment Asia Pacific Flexi Allocation Fund, BEA Union Investment Global Flexi Allocation Fund and BEA Union Investment China High Yield Income Fund. It includes their interest rate sensitivity gap and the period in which the interest-bearing assets and interest-bearing liabilities reprice (the earlier of contractual re-pricing or maturity date) as at year/period-end.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

BEA Union Investment Asian Bond and Currency Fund

As at 31 December 2016

	Up to 1 year US\$	1 – 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	51,063,685	148,302,332	40,578,770	–	239,944,787
Bank balances	12,794,251	–	–	–	12,794,251
Other assets	–	–	–	2,165,100	2,165,100
Total assets	<u>63,857,936</u>	<u>148,302,332</u>	<u>40,578,770</u>	<u>2,165,100</u>	<u>254,904,138</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	8,105,988	8,105,988
Total interest sensitivity gap	<u>63,857,936</u>	<u>148,302,332</u>	<u>40,578,770</u>		

As at 31 December 2015

	Up to 1 year US\$	1 – 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	–	80,516,844	22,493,713	–	103,010,557
Bank balances	3,096,050	–	–	–	3,096,050
Other assets	–	–	–	330,862	330,862
Total assets	<u>3,096,050</u>	<u>80,516,844</u>	<u>22,493,713</u>	<u>330,862</u>	<u>106,437,469</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	481,302	481,302
Total interest sensitivity gap	<u>3,096,050</u>	<u>80,516,844</u>	<u>22,493,713</u>		

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) **Market risk (continued)**

(ii) **Interest rate risk (continued)**

BEA Union Investment Asia Pacific Multi Income Fund

As at 31 December 2016

	Up to 1 year US\$	1 – 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	23,518,910	125,228,249	40,785,083	111,592,500	301,124,742
Bank balances	48,362,658	–	–	–	48,362,658
Other assets	–	–	–	28,595,724	28,595,724
Total assets	<u>71,881,568</u>	<u>125,228,249</u>	<u>40,785,083</u>	<u>140,188,224</u>	<u>378,083,124</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	33,173,990	33,173,990
Total interest sensitivity gap	<u>71,881,568</u>	<u>125,228,249</u>	<u>40,785,083</u>		

As at 31 December 2015

	Up to 1 year US\$	1 – 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	–	102,948,160	53,092,843	98,790,196	254,831,199
Bank balances	4,610,287	–	–	–	4,610,287
Other assets	–	–	–	2,541,057	2,541,057
Total assets	<u>4,610,287</u>	<u>102,948,160</u>	<u>53,092,843</u>	<u>101,331,253</u>	<u>261,982,543</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	1,371,882	1,371,882
Total interest sensitivity gap	<u>4,610,287</u>	<u>102,948,160</u>	<u>53,092,843</u>		

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) **Market risk (continued)**

(ii) **Interest rate risk (continued)**

BEA Union Investment RMB Core Bond Fund

As at 31 December 2016

	Up to 1 year RMB	1 – 5 years RMB	Over 5 years RMB	Non-interest bearing RMB	Total RMB
Assets					
Investments	28,479,248	59,342,691	–	7,610,327	95,432,266
Bank balances	5,338,713	–	–	–	5,338,713
Other assets	–	–	–	6,411	6,411
Total assets	<u>33,817,961</u>	<u>59,342,691</u>	<u>–</u>	<u>7,616,738</u>	<u>100,777,390</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	775,660	775,660
Total interest sensitivity gap	<u>33,817,961</u>	<u>59,342,691</u>	<u>–</u>		

As at 31 December 2015

	Up to 1 year RMB	1 – 5 years RMB	Over 5 years RMB	Non-interest bearing RMB	Total RMB
Assets					
Investments	28,939,457	116,091,364	65,348,203	20,714,775	231,093,799
Bank balances	10,122,646	–	–	–	10,122,646
Other assets	–	–	–	1,115,808	1,115,808
Total assets	<u>39,062,103</u>	<u>116,091,364</u>	<u>65,348,203</u>	<u>21,830,583</u>	<u>242,332,253</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	8,195,343	8,195,343
Total interest sensitivity gap	<u>39,062,103</u>	<u>116,091,364</u>	<u>65,348,203</u>		

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

BEA Union Investment Asia Pacific Flexi Allocation Fund

As at 31 December 2016

	Up to 1 year US\$	1 – 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	–	264,449	500,585	45,889,023	46,654,057
Bank balances	1,265	–	–	–	1,265
Amounts due from brokers	–	–	–	656,632	656,632
Other assets	–	–	–	2,100,211	2,100,211
Total assets	<u>1,265</u>	<u>264,449</u>	<u>500,585</u>	<u>48,645,866</u>	<u>49,412,165</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	3,854,070	3,854,070
Total interest sensitivity gap	<u>1,265</u>	<u>264,449</u>	<u>500,585</u>		

As at 31 December 2015

	Up to 1 year US\$	1 – 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	–	7,470,503	–	77,701,438	85,171,941
Bank balances	1,985,241	–	–	–	1,985,241
Amounts due from brokers	–	–	–	1,478,996	1,478,996
Other assets	–	–	–	720,033	720,033
Total assets	<u>1,985,241</u>	<u>7,470,503</u>	<u>–</u>	<u>79,900,467</u>	<u>89,356,211</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	388,479	388,479
Total interest sensitivity gap	<u>1,985,241</u>	<u>7,470,503</u>	<u>–</u>		

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(ii) Interest rate risk (continued)

BEA Union Investment Global Flexi Allocation Fund

As at 31 December 2016

	Up to 1 year US\$	1 – 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	–	2,015,126	1,422,237	8,106,411	11,543,774
Bank balances	2,191	–	–	–	2,191
Amounts due from brokers	–	–	–	56,315	56,315
Other assets	–	–	–	12,323	12,323
Total assets	<u>2,191</u>	<u>2,015,126</u>	<u>1,422,237</u>	<u>8,175,049</u>	<u>11,614,603</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	1,438,253	1,438,253
Total interest sensitivity gap	<u>2,191</u>	<u>2,015,126</u>	<u>1,422,237</u>		

BEA Union Investment China High Yield Income Fund

As at 31 December 2016

	Up to 1 year US\$	1 – 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
Assets					
Investments	6,869,455	22,853,300	1,622,421	–	31,345,176
Bank balances	1,304,851	–	–	–	1,304,851
Other assets	–	–	–	168,365	168,365
Total assets	<u>8,174,306</u>	<u>22,853,300</u>	<u>1,622,421</u>	<u>168,365</u>	<u>32,818,392</u>
Liabilities (excluding net assets attributable to unitholders)					
Other liabilities	–	–	–	75,591	75,591
Total interest sensitivity gap	<u>8,174,306</u>	<u>22,853,300</u>	<u>1,622,421</u>		

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) **Market risk (continued)**

(ii) **Interest rate risk (continued)**

Sensitivity analysis

If the market interest rate at year/period-end had increased by 50 basis points (2015: 50 basis points), with all other variable held constant, it is estimated that the net assets attributable to unitholders and total comprehensive income for the year/period would have changed accordingly as shown below. The analysis is performed on the same basis for 2015.

As at 31 December

BEA Union Investment Asian Bond and Currency Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund	BEA Union Investment China High Yield Income Fund
2016	2015	2016	2015	2016	2015	2016	2015	2016	2016
US\$	US\$	US\$	US\$	RMB	RMB	US\$	US\$	US\$	US\$
Estimated decrease if interest rate had increased by 50 basis points									
3,545,146	1,657,759	3,101,452	2,830,011	594,989	2,619,133	13,825	15,829	81,258	385,433

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

(iii) **Price risk**

Price risk is the risk that the value of the 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, its issuer or all 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 the Sub-funds' market positions on a daily basis.

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BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(iii) Price risk (continued)

Sensitivity analysis

The Manager projects the possible movement of the underlying fund price/benchmark indices ("the potential movement") based on historical experience. If the underlying fund price/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 total comprehensive income for the year/period would have changed accordingly as shown below. The analysis is performed on the same basis as 2015.

As at 31 December

	BEA Union Investment Japan Growth Fund		BEA Union Investment Global Themes Fund		BEA Union Investment Global Resources Fund		BEA Union Investment Four Seasons Fund		BEA Union Investment China A-Share Equity Fund		BEA Union Investment Asia Pacific Multi Income Fund		BEA Union Investment China Phoenix Fund		BEA Union Investment RMB Core Bond Fund		BEA Union Investment Asia Pacific Flexi Allocation Fund		BEA Union Investment Global Flexi Allocation Fund 50% MSCI ACWI
Underlying fund/benchmark indices	Fidelity Global Investment Fund		MSCI World Index		50% MSCI World Materials 25% MSCI World Energy 25% MSCI World Industrials		Direct investments in equities		MSCI China A Net USD		66.66% Asian USD HY Corp 33.34% MSCI AC Asia Pacific ex-Japan		MSCI China TR Daily USD		ALBI China Offshore		70% MSCI Asia Pacific ex-Japan 30% BofA Merrill Lynch Asian dollar		50% BofA Myrill Lynch Eurodollar 2016
	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 US\$	2015 US\$	2016 RMB	2015 RMB	2016 US\$	2015 US\$	2016 US\$
Potential movement of the underlying fund/benchmark indices	(5.77)%	7.20%	7.51%	(0.87)%	21.09%	(13.85)%	(11.81)%	5.00%	(19.11)%	7.08%	11.73%	5.00%	0.90%	5.00%	4.64%	5.00%	4.39%	5.00%	5.65%
Estimated (decrease)/increase	<u>(21,881)</u>	<u>33,126</u>	<u>686,389</u>	<u>(83,707)</u>	<u>281,781</u>	<u>(213,663)</u>	<u>(3,332)</u>	<u>1,588</u>	<u>(7,121,368)</u>	<u>3,326,637</u>	<u>13,089,800</u>	<u>4,939,059</u>	<u>176,121</u>	<u>1,353,951</u>	<u>353,119</u>	<u>1,035,739</u>	<u>2,014,528</u>	<u>4,204,823</u>	<u>458,012</u>

An equal change in the opposite direction would have changed the net assets attributable to unitholders and the total comprehensive income for the year/period by an equal but opposite amount.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (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 fall 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.

At the reporting date, BEA Union Investment Asian Bond and Currency Fund, BEA Union Investment Asia Pacific Multi Income Fund, BEA Union Investment RMB Core Bond Fund, BEA Union Investment Asia Pacific Flexi Allocation Fund, BEA Union Investment Global Flexi Allocation Fund and BEA Union Investment China High Yield Income Fund held debt securities. As at 31 December 2016 and 2015, the Sub-funds invested in debt investments with the following credit ratings equivalent to which provided by Standard & Poor's rating services expressed as a percentage of debt investments:

As at 31 December

Rating	BEA Union Investment Asian Bond and Currency Fund	
	2016	2015
AA-	0.38%	0.93%
A+	0.83%	-
A	0.83%	-
A-	0.62%	-
BBB+	1.01%	-
BBB	1.40%	-
BBB-	9.70%	11.10%
BB+	3.95%	11.52%
BB	10.88%	21.53%
BB-	22.22%	28.11%
B+	12.03%	15.73%
B	20.17%	5.08%
B-	8.30%	1.15%
CCC+	4.55%	3.64%
CCC-	1.54%	-
N/A	1.59%	1.21%
Total	100.00%	100.00%

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(b) Credit risk (continued)

As at 31 December (continued)

Rating	BEA Union Investment Asia Pacific Multi Income Fund	
	2016	2015
A+	3.02%	1.27%
A	2.34%	-
A-	2.05%	3.15%
AA-	0.99%	-
BBB+	1.53%	1.05%
BBB	4.28%	4.27%
BBB-	14.93%	11.64%
BB+	4.97%	13.54%
BB	10.75%	16.42%
BB-	22.92%	26.47%
B+	12.53%	15.30%
B	13.56%	4.98%
B-	4.00%	0.95%
CCC+	2.13%	0.96%
Total	100.00%	100.00%

Rating	BEA Union Investment RMB Core Bond Fund	
	2016	2015
A+	11.51%	11.12%
A	3.47%	11.09%
A-	-	8.38%
BBB+	10.31%	16.97%
BBB	13.69%	16.90%
BBB-	14.86%	1.53%
BB+	5.73%	4.11%
BB	-	10.45%
BB-	-	6.44%
B+	6.95%	5.89%
B	1.16%	4.74%
B-	7.20%	2.38%
N/A	25.12%	-
Total	100.00%	100.00%

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(b) Credit risk (continued)

As at 31 December (continued)

Rating	BEA Union Investment Asia Pacific Flexi Allocation Fund	
	2016	2015
A	–	26.61%
BBB+	34.57%	25.51%
BBB	65.43%	47.88%
Total	100.00%	100.00%

Rating	BEA Union Investment Global Flexi Allocation Fund	
	2016	
AA		5.81%
AA–		5.33%
A+		12.24%
A		23.67%
A–		19.58%
BBB+		5.79%
BBB		27.58%
Total		100.00%

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(b) Credit risk (continued)

Rating	BEA Union Investment China High Yield Income Fund 2016
BBB–	5.99%
BB+	3.63%
BB	12.87%
BB–	18.47%
B+	11.72%
B	25.43%
B–	11.25%
CCC+	4.01%
CCC–	0.59%
N/A	6.04%
Total	100.00%

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 ("the Banks"). Bankruptcy or insolvency of the custodians and the Banks may cause the 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 2016 and 2015.

(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 2016 and 2015, all the financial liabilities of the Sub-funds are repayable on demand or due within three months.

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(d) Specific instruments

As at 31 December 2016 and 2015, there are no participatory notes held by BEA Union Investment Global Themes Fund.

As at 31 December 2016, the details of foreign currency forward contracts held by the Sub-funds are as follows:

BEA Union Investment Asian Bond and Currency Fund

2016

Expiration	Underlying	Notional amount of contracts outstanding US\$	Fair value US\$
25 January 2017	Buy Australian Dollars/ sell United States Dollars	1,440,857	5,247
25 January 2017	Buy Renminbi/sell United States Dollars	298,005,344	(150,432)
			<u>(145,185)</u>

2015

Expiration	Underlying	Notional amount of contracts outstanding US\$	Fair value US\$
29 January 2016	Buy Australian Dollars/sell United States Dollars	1,260,940	(140)
29 January 2016	Buy Renminbi/sell United States Dollars	20,943,611	(65)
			<u>(205)</u>

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(d) Specific instruments (continued)

BEA Union Investment Asia Pacific Multi Income Fund

2016

Expiration	Underlying	Notional amount of contracts outstanding US\$	Fair value US\$
25 January 2017	Buy Australian Dollars/sell United States Dollars	52,973,071	128,248
25 January 2017	Buy New Zealand Dollars/sell United States Dollars	16,884,521	90,417
25 January 2017	Buy Renminbi/sell United States Dollars	365,986,129	(181,148)
			<u>37,517</u>

2015

Expiration	Underlying	Notional amount of contracts outstanding US\$	Fair value US\$
29 January 2016	Buy Australian Dollars/sell United States Dollars	6,613,500	(15,879)
29 January 2016	Buy New Zealand Dollars/sell United States Dollars	37,350,166	(4,146)
29 January 2016	Buy Renminbi/sell United States Dollars	297,222,585	(932)
			<u>(20,957)</u>

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(d) Specific instruments (continued)

BEA Union Investment China Phoenix Fund

2016

Expiration	Underlying	Notional amount of contracts outstanding US\$	Fair value US\$
25 January 2017	Buy Renminbi/sell United States Dollars	10,434,834	(5,165)

2015

Expiration	Underlying	Notional amount of contracts outstanding US\$	Fair value US\$
29 January 2016	Buy Renminbi/sell United States Dollars	13,839,872	(43)

BEA Union Investment RMB Core Bond Fund

2016

Expiration	Underlying	Notional amount of contracts outstanding RMB	Fair value RMB
9 January 2017	Buy Renminbi/sell United States Dollars	2,500,000	(24,843)

2015

Expiration	Underlying	Notional amount of contracts outstanding RMB	Fair value RMB
16 February 2016	Buy Renminbi/sell United States Dollars	3,000,000	(96,295)
16 February 2016	Buy Renminbi/sell United States Dollars	33,000,000	(921,726)
16 February 2016	Buy Renminbi/sell United States Dollars	6,000,000	(130,172)
16 February 2016	Buy Renminbi/sell United States Dollars	12,000,000	(216,032)
			<u>(1,364,225)</u>

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

13 Financial instruments and associated risks (continued)

(d) Specific instruments (continued)

BEA Union Investment Asia Pacific Flexi Allocation Fund

2016

Expiration	Underlying	Notional amount of contracts outstanding US\$	Fair value US\$
25 January 2017	Buy Australian Dollars/sell United States Dollars	4,693,480	11,363
25 January 2017	Buy New Zealand Dollars/sell United States Dollars	1,649,586	8,833
25 January 2017	Buy Renminbi/sell United States Dollars	23,758,077	(11,759)
			<u>8,437</u>

2015

Expiration	Underlying	Notional amount of contracts outstanding US\$	Fair value US\$
29 January 2016	Buy Australian Dollars/sell United States Dollars	8,901,189	(988)
29 January 2016	Buy New Zealand Dollars/sell United States Dollars	3,300,609	(7,925)
29 January 2016	Buy Renminbi/sell United States Dollars	127,220,031	(399)
			<u>(9,312)</u>

BEA Union Investment China High Yield Income Fund

2016

Expiration	Underlying	Notional amount of contracts outstanding US\$	Fair value US\$
25 January 2017	Buy Australian Dollars/sell United States Dollars	962,050	2,329
25 January 2017	Buy Renminbi/sell United States Dollars	24,061,055	(11,909)
			<u>(9,580)</u>

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

14 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 note 13(a) and the investment report, respectively.

There were no changes in the operating segments during the year/period.

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.

15 Involvement with unconsolidated structured entities

The Sub-funds have concluded that listed and unlisted open-ended investment funds, exchange-traded open-ended index-tracking funds and listed real estate investment trusts 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 SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

15 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 by the Sub-funds.

As at 31 December 2016

	Number of investee funds	Total net assets US\$ (in million)	Carrying amount included in "investments" US\$ (in million)
BEA Union Investment Japan Growth Fund			
Investment in unlisted open-ended investment fund – Equity long	1	834	0.4
BEA Union Investment Global Themes Fund			
Investment in unlisted open-ended investment fund – Equity long	1	10	0.5
Investment in listed real estate investment trust – Equity long	1	24,327	0.3
BEA Union Investment China A-Share equity Fund			
Investment in exchange-traded open-ended index-tracking fund – Equity long	1	5,758	1.8
BEA Union Investment Asia Pacific Multi Income Fund			
Investment in unlisted open-ended investment funds – Equity long	2	257	3.1
Investment in listed real estate investment trust – Long position	1	7,950	17.1
BEA Union Investment China Phoenix Fund			
Investment in unlisted open-ended investment fund – Equity long	1	38	0.2
BEA Union Investment RMB Core Bond Fund			
Investment in unlisted open-ended investment fund – Equity long	1	247	1.1
BEA Union Investment Asia Pacific Flexi Allocation Fund			
Investment in unlisted open-ended investment funds – Equity long	2	257	8.4
Investment in listed open-ended investment funds – Equity long	2	19,013	2.7
Investment in listed real estate investment trust – Long position	1	9,206	1.4
BEA Union Investment Global Flexi Allocation Fund			
Investment in unlisted open-ended investment fund – Equity long	1	247	1.0
Investment in listed real estate investment trust – Long position	1	24,327	0.2

BEA UNION INVESTMENT SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

15 Involvement with unconsolidated structured entities (continued)

As at 31 December 2015

	Number of investee funds	Total net assets US\$ (in million)	Carrying amount included in "investments" US\$ (in million)
BEA Union Investment Japan Growth Fund			
Investment in unlisted open-ended investment fund – Equity long	1	829	0.5
BEA Union Investment Asia Pacific Multi Income Fund			
Investment in unlisted open-ended investment fund – Equity long	1	106	0.7
Investment in listed open-ended investment funds – Long position	3	99,280	25.2
Investment in listed real estate investment trusts – Long position	2	18,689	18.1
BEA Union Investment China Phoenix Fund			
Investment in unlisted open-ended investment fund – Equity long	1	48	1.0
Investment in listed real estate investment trust – Long position	1	24	0.6
BEA Union Investment RMB Core Bond Fund			
Investment in unlisted open-ended investment fund – Equity long	1	106	3.2
BEA Union Investment Asia Pacific Flexi Allocation Fund			
Investment in unlisted open-ended investment fund – Equity long	1	106	16.3
Investment in listed real estate investment trust – Equity long	1	74,960	2.5

During the year/period, 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 SERIES

NOTES TO THE FINANCIAL STATEMENTS

(EXPRESSED IN UNITED STATES DOLLARS) (CONTINUED)

16 Charge on the Sub-funds' assets

As at 31 December 2016, the Sub-funds did not obtain any overdraft facility from The Bank of East Asia, Limited.

17 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year/period ended 31 December 2016

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 December 2016 and which have not been adopted in these financial statements. These include the following which may be relevant to the Sub-funds.

	Effective for accounting periods beginning on or after
Amendments to HKAS 7, <i>Statement of cash flows: Disclosure initiative</i>	1 January 2017
Amendments to HKAS 12, <i>Income taxes: Recognition of deferred tax assets for unrealised losses</i>	1 January 2017
HKFRS 9, <i>Financial instruments</i>	1 January 2018

The Manager and the Trustee are in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application.

18 Subsequent event

With effect from 24 February 2017 and 10 March 2017, two new sub-funds, namely BEA Union Investment Asian Strategic Bond Fund and BEA Union Investment Asia Pacific Equity Dividend Fund were offered for subscription respectively.

The launch of the new sub-funds has no financial effect to the financial statements for the year ended 31 December 2016.