

30 April 2019

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

Quick facts

Manager:	BEA Union Investment Management Limited
Trustee:	Bank of East Asia (Trustees) Limited
Ongoing charges over a year:	Class A, Class A AUD (Hedged), Class A NZD (Hedged) and Class A RMB (Hedged) Units: 1.64% p.a. [^] Class A EUR (Hedged) Units: 1.66% p.a. [^] Class A EUR, Class A JPY, Class A RMB, Class A CAD (Hedged), Class A GBP (Hedged) and Class A JPY (Hedged) Units: 1.64% p.a.*
Dealing frequency:	Daily (Hong Kong business days)
Base currency:	US\$
Dividend policy:	Class A (Accumulating), Class A EUR (Accumulating), Class A JPY (Accumulating), Class A RMB (Accumulating), Class A AUD (Hedged) (Accumulating), Class A CAD (Hedged) (Accumulating), Class A EUR (Hedged) (Accumulating), Class A GBP (Hedged) (Accumulating), Class A JPY (Hedged) (Accumulating), Class A NZD (Hedged) (Accumulating) and Class A RMB (Hedged) (Accumulating) Units: No dividends will be declared or distributed. Class A (Distributing), Class A EUR (Distributing), Class A JPY (Distributing), Class A RMB (Distributing), Class A AUD (Hedged) (Distributing), Class A CAD (Hedged) (Distributing), Class A EUR (Hedged) (Distributing), Class A GBP (Hedged) (Distributing), Class A JPY (Hedged) (Distributing), Class A NZD (Hedged) (Distributing) and Class A RMB (Hedged) (Distributing) Units: Monthly distributions, if any, are discretionary and may be paid out of income and/or capital. Making distributions will reduce the net asset value of the relevant class of units.
Financial year end of this sub-fund:	31 December
Minimum investment:	Class A Units: US\$: US\$2,000 initial, US\$1,000 additional HK\$: HK\$10,000 initial, HK\$5,000 additional Class A EUR, Class A JPY, Class A RMB, Class A AUD (Hedged), Class A CAD (Hedged), Class A EUR (Hedged), Class A GBP (Hedged), Class A JPY (Hedged), Class A NZD (Hedged) and Class A RMB (Hedged) Units: US\$2,000 initial (or its equivalent), US\$1,000 additional (or its equivalent)

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

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

What is this product?

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

Objective and Investment Strategy

Objective

The investment objective of the 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 REITs 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. The debt securities and other listed securities as described above are hereinafter referred to as "Debt Securities" and "Other Listed Securities", respectively.

Strategy

The BEA Union Investment Asia Pacific Multi Income Fund will invest primarily in Debt Securities, listed REITs and Other Listed Securities that generally offer distribution income. The Sub-Fund may invest up to 90% of its assets in Debt Securities, and up to 40% of its assets in listed REITs and Other Listed Securities. The Asia Pacific region includes emerging market countries as well as developed countries.

Debt Securities that may be invested by the Sub-Fund 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, 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. Debt Securities may be issued by government, quasi-government organisations, financial institutions, multi-national organisations and other corporations. The Sub-Fund may invest in investment grade debt securities (rated as Baa3 or above by Moody's Investor Services, Inc. or BBB- or above by Standard & Poor's Corporation or equivalent rating by other recognized rating agencies) as well as below investment grade debt securities, and non-rated debt securities that meet the standards as determined by the Manager. The Sub-Fund may also invest in collective investment schemes to achieve its investment objectives, and hold cash or cash equivalents.

The Sub-Fund will have a limited exposure to investments denominated in RMB.

The Manager may acquire financial futures contracts and currency forward contracts for hedging purposes to reduce risk and enhance asset value. The Manager may also acquire financial futures contracts for investment purposes consistent with the investment objective of the Sub-Fund. The net total aggregate value of contract prices in respect of futures contracts entered into other than for hedging may not exceed 20% of the total net asset value of the Sub-Fund.

The Sub-Fund will not invest in any structured deposits or products. The Manager currently does not intend to enter into any securities lending or share repurchase transactions.

What are the key risks?

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

1. Investment risk

- The Sub-Fund is an investment fund. The Sub-Fund's investment portfolio may fall in value and therefore your investment in the Sub-Fund may suffer losses.

2. Interest rates, credit and downgrading risk

- The Sub-Fund invests directly in debt securities, which are susceptible to interest rate changes and may experience significant price volatility. Any fluctuation in interest rates may have a direct effect on the income received by the Sub-Fund and its capital value.
- If the issuer of any of the securities in which the Sub-Fund invests defaults or suffers insolvency or other financial difficulties, the value of such Sub-Fund will be adversely affected.
- Investment grade securities invested by the Sub-Fund may be subject to the risk of being downgraded to below investment grade securities. In the event of downgrading in the credit ratings of a security or an issuer relating to a security, the Sub-Fund's investment value in such security may be adversely affected.

3. Below investment grade and non-rated securities risk

- The Sub-Fund may invest in below investment grade or non-rated debt securities. Such debt securities are generally subject to more risk and volatility than higher-rated securities because of reduced credit worthiness, liquidity and greater chance of default and can thereby expose the Sub-Fund to losses.

4. Equity markets risk

- The Sub-Fund may invest in equities, listed REITs and managed funds, and thus is subject to the risks generally associated with equity investments. Factors affecting the value of such securities include but not limited to changes in investment sentiment, political, economic and social environment, and liquidity and volatility in the investment market.

5. Emerging markets risk

- The Sub-Fund may invest in or have exposure to securities in the emerging markets. Investments in the emerging markets tend to be more volatile than developed markets and may lead to a higher level of risks due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.

6. Derivative risk

- The Sub-Fund may invest in financial futures contracts. Derivative instruments that are not traded on an exchange are subject to, among others, liquidity risk (i.e. the risk that the Sub-Fund may not be able to close out a derivative position in a timely manner and/or at a reasonable price) and counterparty risks (i.e. the risk that a counterparty may become insolvent and therefore unable to meet its obligations under a transaction). In addition, investments in these instruments generally involve higher volatility, and may result in a significant loss to the Sub-Fund.
- The Sub-Fund may use financial futures, currency forwards and other derivative instruments for hedging purposes. Such hedging may not achieve the intended purpose. In an adverse situation, the Sub-Fund's use of derivative instruments may become ineffective in achieving hedging and the Sub-Fund may suffer significant losses.

7. Effect of distribution out of capital

- The Manager may at its discretion make distributions from income and/or capital in respect of the distributing classes of the Sub-Fund. Investors should note that the distributions paid out of capital amount to a return or withdrawal of part of the unitholder's original investment or from any capital gains attributable to that original investment. Such distribution may result in an immediate reduction of the Net Asset Value per Unit.

8. Currency hedging risk

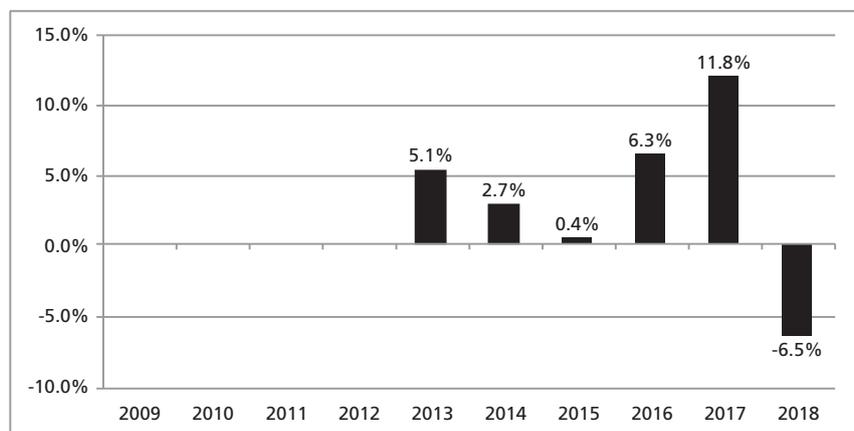
- Adverse exchange rate fluctuations between the base currency of the Sub-Fund and the class currency of the currency hedged class units may result in a decrease in return and/or loss of capital for unitholders. Over-hedged or under-hedged positions may arise and there can be no assurance that these currency hedged class units will be hedged at all times or that the Manager will be successful in employing the hedge.

9. Risks associated with RMB classes of units

- Investors may invest in RMB classes of units. It should be noted that the RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies of the Chinese government. The Chinese government's policies on exchange control and repatriation restrictions are subject to change and the investors' investment in the RMB classes of units may be adversely affected.
- There is also no assurance that the RMB will not be subject to devaluation. Where the hedging transactions become ineffective, any devaluation of the RMB could adversely affect the value of investors' investments in the RMB classes of units.
- If investors are non RMB-based (e.g. Hong Kong) investors and convert other currencies into RMB so as to invest in the RMB classes of units and subsequently convert the RMB realisation proceeds and/or dividend payment (if any) back into other currencies, they may incur currency conversion costs and may suffer a loss if RMB depreciates against such other currencies.
- When calculating the value of the RMB classes of units, reference to the CNH rate (i.e. the exchange rate for the offshore RMB market in Hong Kong) rather than the CNY rate (i.e. the exchange rate for the onshore RMB market) will be made and the value of the RMB classes of units thus calculated will be affected by fluctuations in the CNH rate. While CNH and CNY represent the same currency, they are traded in different and separate markets which operate independently. As such, CNH does not necessarily have the same exchange rate and may not move in the same direction as CNY.
- In respect of the hedged RMB classes of units, the Manager may attempt to hedge the base currency of the Sub-Fund and/or other currencies of non-RMB-denominated underlying investments of the Sub-Fund back to RMB. If the counterparties of the instruments used for hedging purpose default, investors of the hedged RMB classes of units may be exposed to RMB currency exchange risk on an unhedged basis and may therefore suffer further losses.
- Furthermore, there is no guarantee that the hedging strategy will be effective and you may still be subject to the RMB currency exchange risk which may apply to the non-hedged RMB classes.
- Whilst the hedging strategy may protect investors against a decline in the value of the Sub-Fund's base currency and/or other currencies of non-RMB-denominated underlying investments relative to RMB, investors will not benefit from any potential gain in the value of the hedged RMB classes of units if the Sub-Fund's base currency and/or other currencies of non-RMB-denominated underlying investments of the Sub-Fund rise against RMB.

- The PRC government’s imposition of restrictions on the repatriation of RMB out of China may limit the depth of the RMB market outside the PRC and make it impossible for the Sub-Fund to hold sufficient amounts of RMB outside the PRC to meet realisation requests and/or pay dividends in RMB. In particular, the Sub-Fund may not be able to get sufficient amounts of RMB in a timely manner to meet realisation requests of the RMB classes of units and/or pay dividends (if any) if all or a substantial portion of its underlying investments are non-RMB denominated.
- Even if the Sub-Fund aims to pay realisation proceeds and/or dividends to investors of the RMB classes of units in RMB, investors may not receive RMB upon realisation of their investments or receive dividend payments in RMB under extreme market conditions when there is not sufficient RMB for currency conversion. Under such circumstances, the Manager may pay realisation proceeds and/or dividends in USD. There is also a risk that payment of investors’ realisation proceeds and/or dividends in RMB may be delayed when there is not sufficient RMB for currency conversion for settlement of the realisation proceeds and dividends. In any event, realisation proceeds will be paid within one calendar month of the relevant Dealing Day or (if later) receipt of a properly documented request for realisation of units.

How has the Sub-Fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.
- These figures show by how much Class A USD (Distributing) Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in US\$ including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- Where no past performance is shown there was insufficient data available in that year to provide performance.
- Sub-Fund / Class A USD (Distributing) Units launch date: 2012

Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

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

Charges which may be payable by you

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

Fee	What you pay
Subscription fee (Preliminary Charge)	Class A Units: up to 5% of issue price
Switching fee (Conversion Charge)	Up to 2.0% of issue price of new units
Redemption fee (Realisation Charge)	Class A Units: 0.5% of realisation price; but currently waived

Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's value)
Management Fee	Class A Units: 1.4% p.a.*
Trustee Fee	0.15% p.a.*
Performance Fee	N/A
Administration Fee	N/A
Registrar's Fee	0.015% – 0.05% p.a. subject to minimum of US\$3,000 p.a.
Holders Servicing Fee	Class A Units: Nil*

Other fees

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

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

Additional Information

- You generally buy, redeem and switch units at the Sub-Fund's next-determined net asset value (NAV) after Authorised Distributor receives your request in good order on or before 4:00p.m. (Hong Kong time) on a Dealing Day. The Authorised Distributor(s) may impose an earlier cut-off time before the dealing deadline for receiving instructions for subscriptions, realisations or conversions. Investors should confirm the arrangements with the Authorised Distributor(s) concerned.
- The net asset value of the Sub-Fund is calculated on each Dealing Day, and the price of units is published on the Manager's website: www.bea-union-investment.com (this website has not been reviewed or authorised by the SFC).
- Investors may obtain information on BEA Union Investment Management Limited from the following website: www.bea-union-investment.com.
- Compositions of the distributions (if any) (i.e. the relative amounts/percentages paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Manager on request and also on the following website: www.bea-union-investment.com. The Manager may amend the distribution policy subject to SFC's prior approval and by giving not less than one month's notice to investors.

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.