

BEA Union Investment China Gateway Fund

Important note:

1. BEA Union Investment China Gateway Fund (the "Fund") seeks medium to long term capital growth and income through investing primarily in equity securities and/or debt securities, that are either (a) traded in China or (b) issued by entities incorporated in China or entities which have significant operations in or assets in, or derive significant portion of revenue or profits from China.
2. The Fund's investments are concentrated in China's equity securities and debt securities. This may result in greater volatility than a fund having a more diverse portfolio of investments. The Fund may also be subject to withholding and other taxes imposed in China.
3. The Fund may invest in below investment grade, or rated BB+ or below by a China credit rating agency, or non-rated debt securities, which are subject to greater interest rate, credit and liquidity risks, higher volatility and greater risk of loss of principal and interest than higher-rated debt securities.
4. The Fund may invest in China A-Shares via Stock Connects, China interbank bond market via Foreign Direct Access Regime and/or Bond Connect. Such programmes are subject to regulatory risks and various risks such as quota limitation, volatility risk, liquidity risk, settlement and counterparty risk etc.
5. The manager may at its discretion make distributions from income and/or capital in respect of the distributing classes of the Fund. 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. Any such distributions may result in an immediate reduction of the net asset value per unit.
6. In terms of currency hedged class units, adverse exchange rate fluctuations between the base currency of the Fund and the class currency of the currency hedged class units may result in a decrease in return and/or loss of capital for unitholders. Over-hedged or under-hedged positions may arise and there can be no assurance that these currency hedged class units will be hedged at all times or that the manager will be successful in employing the hedge.
7. RMB is currently not freely convertible and is subject to exchange controls and restrictions. Any depreciation of RMB could adversely affect the value of investor's investment in the Fund.
8. The Fund may use derivative instruments for hedging purposes which may not achieve the intended purpose, and may result in significant losses.
9. Investors should not make an investment decision based solely on this material.

Investing in Chinese Stocks and Bonds to Fully Capture Their Investment Opportunities



**Aims to Provide
a Monthly Dividend**

Dividend only applies to distributing classes

Dividend is not guaranteed and distributions may be paid out of income and / or capital important note 5

Chinese Stock Markets Expected to Continue Benefitting from Both Old and New Economies

- Overall, macroeconomic data in China looks rosy. We are positive towards China's stock markets, as the conditions of abundant liquidity, improving corporate earnings, and attractive valuations remain solid
- The following sectors will continue to benefit from favourable government policies and increased demand

New Economy

Technology

Enjoy high growth and profitability through new business models

Consumption

Benefit from the rise of middle class income and consumer credits

Old Economy

Financials

Industry leaders will enjoy growth through financial reforms and consolidation

Materials, Energy and Industrials

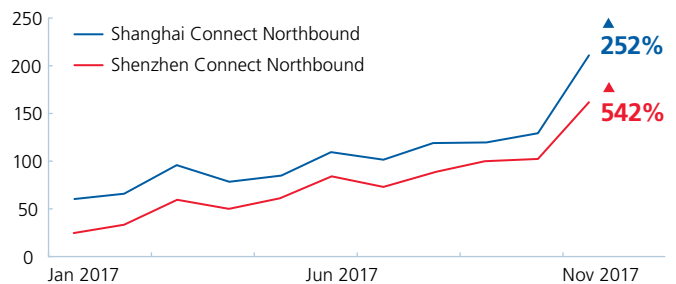
Benefit from better supply side discipline and corporate reforms

Policy Coordination Broadens Investor Choice in Chinese Companies

- Many mainland Chinese state-owned enterprises and corporates are choosing to raise capital in free-market Hong Kong, thus widening the opportunities for global capital to invest in China
- The inclusion of Chinese A-shares into the MSCI Emerging Markets Index and the introduction of the Shanghai and Shenzhen Stock Connects (particularly the northbound trading channels) have created incentives for overseas investors to invest in China
- Allowing companies with weighted voting rights to list on the Hong Kong Stock Exchange is expected to enhance Hong Kong's attractiveness as a place for companies from new-economy sectors to list

Significant Rise in the Turnover of Northbound Trades for Shanghai and Shenzhen Connects Last Year

Turnover (Buy + Sell Trades) (RMB bn)



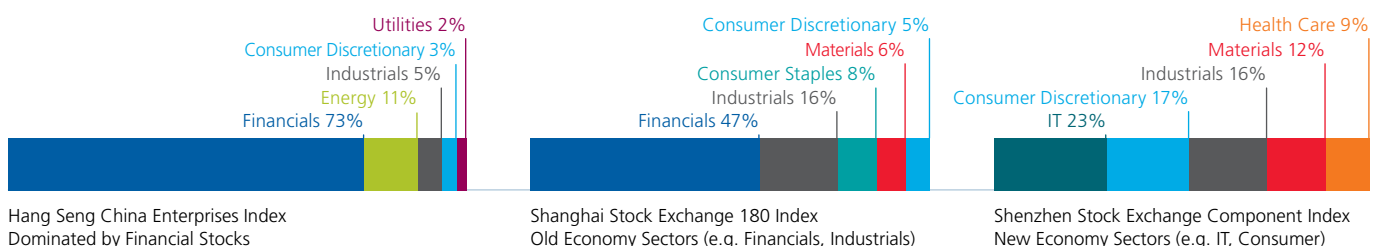
Source: HKEx, from January to November 2017

Importance of Access to Channels for Investing in Chinese Stocks and Bonds

- The Chinese government has recently relaxed its restrictions on capital markets and strengthened the connections of stock and bond markets between mainland China and Hong Kong through innovative schemes such as the Shanghai and Shenzhen Stock Connects as well as the Bond Connect, thereby enlarging the scope of investment
- The BEA Union Investment China Gateway Fund is a new China mixed-asset fund with access to both onshore and offshore investment channels and is managed by a team of seasoned investment professionals

Representative Indices of Various Investment Channels

Weights of Various Indices' Top 5 Sectors



Source: Bloomberg, as at 30 November 2017

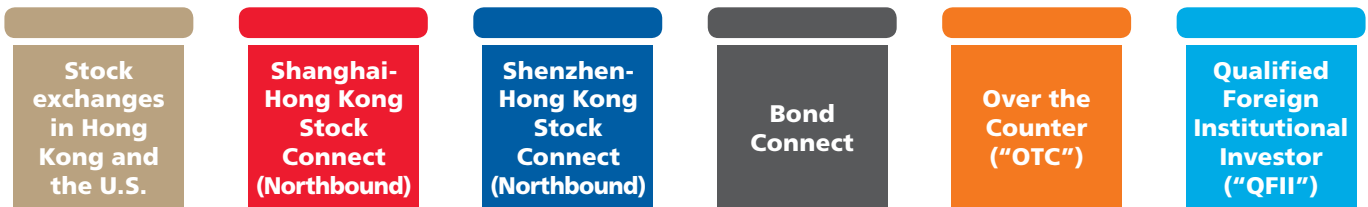
Hang Seng China Enterprises Index is a representative index of China stocks in Hong Kong, Shanghai Stock Exchange 180 Index is a representative index of Shanghai-Hong Kong Stock Connect (northbound), and Shenzhen Stock Exchange Component Index is a representative index of Shenzhen-Hong Kong Stock Connect (northbound)

BEA Union Investment China Gateway Fund – A One-stop Solution

▶ Investable Asset Classes

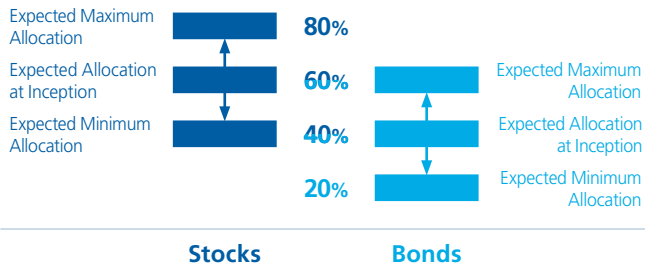


▶ Investment Channels of the Fund



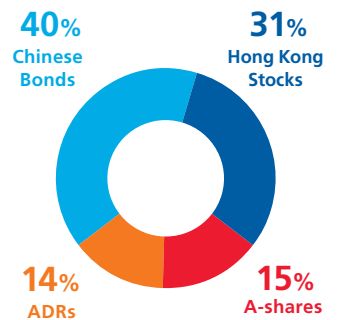
Expected Allocation at Fund Inception*

▶ Asset Allocation* – Flexible Allocation in Stocks and Bonds to Balance Risk and Return



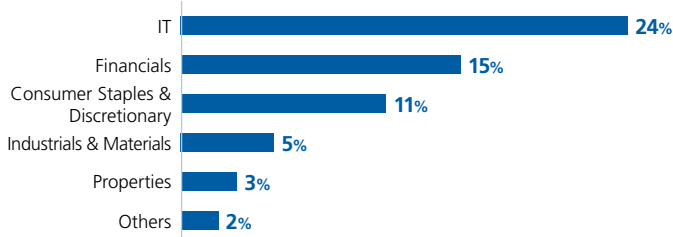
Stock Portfolio
Preference for Hong Kong stocks, with opportunistic investment in A-shares and ADRs to capture capital appreciation

Bond Portfolio
Mainly onshore RMB bonds and offshore Chinese corporate bonds for downside protection and yield carry

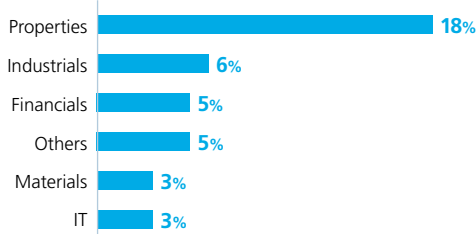


▶ Expected Sector Allocation*

Stock Portfolio



Bond Portfolio



▶ Examples from Various Sectors*

Stock Portfolio

Sector	Example
Consumer Discretionary	Brilliance China
Financials	Ping An Insurance
IT	Tencent Holdings

Bond Portfolio

Sector	Example
Financials	ICBC
Properties	Shimao Property
Materials	China Minmetals

* Source: BEA Union Investment Management Limited, as at 7 December 2017. The expected asset allocation, sector allocation and examples are for illustrative purposes only. Reference to specific securities is included for the purpose of illustration only and should not be construed as a recommendation to buy and sell the same. Actual allocations may differ.

Fund Features

- A China mixed-asset fund with investments in Hong Kong stocks, A-shares, ADRs, and Chinese bonds
- Uses integrated investment channels, including the Shanghai and Shenzhen Stock Connects (northbound) and Bond Connect, to access onshore Chinese securities
- Aims to provide a monthly dividend (dividend is not guaranteed and distributions may be paid out of income and/or capital[^])
- Multiple currencies available (USD, HKD, AUD, and RMB)

Fund Details

Unit Class	A USD (Distributing)	A HKD (Distributing)	A AUD Hedged (Distributing)	A RMB Hedged (Distributing)	A USD (Accumulating)
Launch Date	31 January 2018				
Issue Price	US\$10	HK\$100	AU\$10	RMB100	US\$10
Minimum Investment Amount	US\$2,000	HK\$10,000	US\$2,000 or equivalent	US\$2,000 or equivalent	US\$2,000
Dividend Frequency	Monthly (aims to provide a monthly dividend; dividend is not guaranteed and distributions may be paid out of income and/or capital [^])				N/A
Record Date ^{^^}	14th day of every month				N/A
Ex-Dividend Date	One business day after the Record Date				N/A
Expected First Dividend Distribution	14 March 2018				N/A
ISIN	HK0000257441	HK0000257433	HK0000375474	HK0000375482	HK0000257458
Bloomberg	BUCGAUD HK	BUCGAHD HK	BUCGAAH HK	BUCGARH HK	BUCGAUA HK

Base Currency	US\$
Management Fee	1.50% p.a.
Preliminary Charge	Up to 5.00%
Realisation Charge	Currently waived
Dealing Frequency	Daily (Hong Kong and PRC business days)

[^] Dividend only applies to distributing classes and is not guaranteed. Please note that a positive distribution yield does not imply a positive return. Investors should not make any investment decision solely based on the information contained above. You should read the relevant offering document (including the key facts statement) of the Fund for further details including the risk factors. The manager may at its discretion make distributions from income and/or capital in respect of the distributing classes of the 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.

^{^^} If the 14th is not a business day in any particular month, the record date will be the immediately preceding business day

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

Issuer: BEA Union Investment Management Limited

