



BEA (MPF) Industry Scheme

31 March 2020

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Scheme report

The Trustee has pleasure in presenting the annual reports and the financial statements of the BEA (MPF) Industry Scheme (the "Scheme") for the year ended 31 March 2020.

The Scheme

The Scheme is an industry scheme for the purpose of providing benefits to members in accordance with the Hong Kong Mandatory Provident Fund Schemes Ordinance (the "MPF Ordinance"). The Scheme was established under the trust deed dated 12 April 2000, as amended, between The Bank of East Asia, Limited as sponsor and Bank of East Asia (Trustees) Limited as trustee (the "Trustee"). The Scheme is registered under section 21A of the MPF Ordinance.

Financial development

The Scheme commenced operations on 1 December 2000. The total contributions received and receivable including contribution surcharge and transfers in and benefits paid and payable including transfers out, forfeitures, long services payments and severance payments during the year were HK\$1,498.2 million (2019: HK\$1,577.0 million) and HK\$949.5 million (2019: HK\$841.7 million) respectively. The net asset value as at 31 March 2020 was HK\$12,226.0 million (2019: HK\$12,204.6 million).

Changes to the governing rules

The governing rules were amended during the year to reflect the changes associated with:

- the launch of Tax Deductible Voluntary Contributions with effect from 1 April 2019 with the empowerment from the Inland Revenue and MPF Schemes Legislation (Tax Deductions) from Annuity Premiums and MPF Voluntary Contributions) (Amendment) Ordinance 2018.
- the implementation of automatic exchange of financial account information ("AEOI") with effect from 1 January 2020 with empowerment from the Inland Revenue (Amendment) (No.2) Ordinance 2019.
- the latest requirements of the Code on Disclosure for MPF Investment Funds issued by the Mandatory Provident Fund Schemes Authority (the "Code"):

The Explanatory Memorandum of the Scheme was updated to reflect the latest requirements in Part G of the Code. In particular, the sequence of the contents has been rejigged to be in line with the requirements of the Code, and the contents have been updated in an easy-to-understand and concise manner to enhance readability and clarity. For the purpose of standardisation, the Explanatory Memorandum was renamed as the "MPF Scheme Brochure" with effect from 31 March 2020.

- certain other areas, such as disclosure on valuation rules, addition of risk factor on investments in Europe, disclosure relating to the Hang Seng China Enterprises Index ETF and other editorial changes.

Scheme report (continued)

Particulars of the service providers

Particulars of the Trustee and service providers engaged by the Trustee for the purposes of the Scheme during the year ended 31 March 2020 are set below.

Trustee, Custodian and Administrator

Bank of East Asia (Trustees) Limited

32nd Floor, BEA Tower
Millennium City 5
418 Kwun Tong Road
Kwun Tong, Kowloon
Hong Kong

Investment Manager

BEA Union Investment Management Limited (an associate of the Trustee)

5th Floor, The Bank of East Asia Building
10 Des Voeux Road Central
Hong Kong

Sponsor and Banker

The Bank of East Asia, Limited (the holding company of the Trustee)

The Bank of East Asia Building
10 Des Voeux Road Central
Hong Kong

Scheme report (continued)

Particulars of the service providers (continued)

Legal Adviser

Baker & McKenzie

14th Floor, One Tai Koo Place
979 King's Road, Quarry Bay
Hong Kong

Auditor

KPMG

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

Directors of the Trustee, Custodian and Administrator

David Li Kwok Po	(resigned on 1 July 2019)
Adrian David Li Man Kiu	
Tong Hon Shing	
Joseph Pang Yuk Wing	
Henry Chan Cho Yip	
Wan Chi Tak	(appointed on 1 February 2020)
Cheung Man Kok	

Business address of the Directors of the Trustee, Custodian and Administrator

32nd Floor, BEA Tower
Millennium City 5
418 Kwun Tong Road
Kwun Tong, Kowloon
Hong Kong

Scheme report (continued)

Particulars of the service providers (continued)

Directors of the Investment Manager

Brian David Li Man Bun
Hermann Alexander Schindler
Gunter Karl Haueisen
Samson Li Kai Cheong
Eleanor Wan Yuen Yung

Business address of the Directors of the Investment Manager

5th Floor, The Bank of East Asia Building
10 Des Voeux Road Central
Hong Kong

Directors of the Sponsor and Banker

David Li Kwok Po
Arthur Li Kwok Cheung
Allan Wong Chi Yun
Aubrey Li Kwok Sing
Winston Lo Yau Lai
Stephen Charles Li Kwok Sze
Isidro Fainé Casas (resigned on 24 April 2020)
Peter Lee Ka Kit (resigned on 23 August 2019)
Adrian David Li Man Kiu
Brian David Li Man Bun
Daryl Ng Win Kong
Masayuki Oku
Rita Fan Hsu Lai Tai
Meocre Li Kwok Wing
Henry Tang Ying Yen
Chan Kin Por (resigned on 1 June 2019)
Delman Lee
William Junior Guilherme DOO (appointed on 1 November 2019)

Business address of the Directors of the Sponsor and Banker

The Bank of East Asia Building
10 Des Voeux Road Central
Hong Kong

Further information

Scheme members can obtain further information about the Scheme and its operations from Mr Goran Lam Ka Chun, Senior MPF Marketing and Customer Services Manager, at the Trustee. Scheme members can also contact BEA (MPF) hotline (operated by Bank of East Asia (Trustees) Limited) on 2211 1777 or visit the website at <http://www.hkbea.com> for queries or further information.

Investment report for the year ended 31 March 2020

Investment analysis

United States

- During April 2019 – March 2020, the U.S. business cycle continuing to expand despite a series of uncertainties surrounding the U.S.-China trade dispute. At the same time, the U.S Federal Reserve (Fed) switched to expansionary monetary policy.
- The World Health Organization declared COVID-19 a pandemic in mid-March 2020, various cities around the world implemented different degrees of lockdown to halt the spread of the virus. The many measures introduced by the Fed, including injecting liquidity into markets helps to ease market liquidity tensions and to normalise the market situation.

Europe

- During April 2019 – March 2020, European equities continued trading at a discount compared with their U.S. counterparts. This is due to the more significant economic risks in the eurozone and the political uncertainties due to BREXIT.
- European equities dropped substantially during the first quarter of 2020 due to the widespread of COVID-19 in the region. The European Central Bank announced a 750 billion-euro emergency bond-buying program to mitigate the damage on the economy. We expect the equity markets to recover following the flattening or stabilisation of coronavirus cases.

China

- During April 2019 – March 2020, China's onshore and offshore equity markets traded in a volatile range due to trade tensions with the U.S. and domestic fiscal policy support.
- In the first quarter of 2020, the pandemic and oil shocks led to a global sell-off across financial markets, both onshore and offshore Chinese equities experienced a sharp correction. We maintain a positive view on the healthcare sector as we see increasing demand in healthcare infrastructure, particular after the COVID-19 outbreak.

Investment report for the year ended 31 March 2020 (continued)

Investment analysis (continued)

Japan

- During April 2019 – March 2020, Japan's economy witnessed a faster-than-expected growth in the earlier part of the period. However, the COVID-19 pandemic has resulted in the one-year postponement of the Tokyo 2020 Olympic Games, GDP growth contracted sharply in the first quarter of 2020 as market expected.
- In March 2020, the Nikkei Stock Average Index was down 10.5%, its biggest monthly decline since May 2010, due to the concerns over the lockdown of Tokyo amid COVID-19 pandemic.

Asia

- During April 2019 – March 2020, Asian equities generally underperformed developed markets. The trade tensions between the U.S. and China, moderating global growth coupled with heightening market volatility continued to weigh on investor sentiments.
- In the first quarter of 2020, COVID-19 fears dominate the market movement. The MSCI Asia Pacific ex-Japan Index fell sharply in March.

Global Bond

- During April 2019 – March 2020, the major central banks turned more dovish due to heightened concerns over global growth.
- In March 2020, the oil shocks and the pandemic has triggered global risk-off sentiment and a shortage of U.S. dollar. The 10-year U.S. Treasury yield fell below 1% and reached a historic low.

Investment report for the year ended 31 March 2020 (continued)

Trustee's Commentary

A. Trustee's commentary on analysis of the investments held by the scheme and supporting information of its commentary				
	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
BEA (Industry Scheme) MPF Conservative Fund <i>Launch date: 01/12/2000</i>	1.23	0.61	0.60	1.31
Benchmark / Performance Target ¹	0.07	0.03	0.02	0.43 ⁷
Deviation from the Benchmark / Performance Target ⁶	+1.16	+0.58	+0.58	+0.88 ⁸
Trustee's commentary	<ul style="list-style-type: none"> The 1-year, 5-year and 10-year annualized returns were above the benchmark / performance target. 			
BEA (Industry Scheme) Growth Fund <i>Launch date: 01/12/2000</i>	-9.04	0.67	2.61	3.71
Benchmark / Performance Target ²	-9.08	0.67	2.74	3.37 ⁷
Deviation from the Benchmark / Performance Target ⁶	+0.04	0.00	-0.13	+0.34 ⁸
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was above the benchmark / performance target due to overweighting in bonds under a weak market in 2019. The 5-year annualized return was in line with the benchmark / performance target due to overweighting in equities and underweighting in bonds during strong equity markets in 2017. The 10-year annualized return was below the benchmark / performance target because asset allocation was defensive during the rising markets in 2012 and 2013. 			

Investment report for the year ended 31 March 2020 (continued)

Trustee's Commentary (continued)

A. Trustee's commentary on analysis of the investments held by the scheme and supporting information of its commentary (continued)				
	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
BEA (Industry Scheme) Balanced Fund <i>Launch date: 01/12/2000</i>	-5.57	1.12	2.43	3.30
Benchmark / Performance Target ²	-5.21	0.80	2.37	3.30 ⁷
Deviation from the Benchmark / Performance Target ⁶	-0.36	+0.32	+0.06	0.00 ⁸
Trustee's commentary	<ul style="list-style-type: none"> • The 1-year annualized return was below the benchmark / performance target due to overweighting in equities under a weak market in 2019. • The 5-year annualized return was above the benchmark / performance target due to overweighting in equities and underweighting in bonds during strong equity markets in 2017. • The 10-year annualized return was above the benchmark / performance target due to overweighting in equities and underweighting in bonds during strong equity markets in 2010 and 2017. 			
BEA (Industry Scheme) Stable Fund <i>Launch date: 01/12/2000</i>	-2.26	1.32	2.16	3.15
Benchmark / Performance Target ²	-2.14	1.14	1.66	2.77 ⁷
Deviation from the Benchmark / Performance Target ⁶	-0.12	+0.18	+0.50	+0.38 ⁸
Trustee's commentary	<ul style="list-style-type: none"> • The 1-year annualized return was below the benchmark / performance target due to overweighting in equities under a weak market in 2019. • The 5-year annualized return was above the benchmark / performance target due to overweighting in equities and underweighting in bonds during strong equity markets in 2017. • The 10-year annualized return was above the benchmark / performance target due to overweighting in equities and underweighting in bonds during strong equity markets in 2010 and 2017. 			

Investment report for the year ended 31 March 2020 (continued)

Trustee's Commentary (continued)

A. Trustee's commentary on analysis of the investments held by the scheme and supporting information of its commentary (continued)				
	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
BEA (Industry Scheme) Greater China Equity Fund <i>Launch date: 04/01/2010</i>	-5.70	2.26	3.69	3.32
Benchmark / Performance Target ²	-5.06	1.93	3.00	4.57 ⁷
Deviation from the Benchmark / Performance Target ⁶	-0.64	+0.33	+0.69	-1.25 ⁸
Trustee's commentary	<ul style="list-style-type: none"> • The 1-year annualized return was below the benchmark / performance target since the portfolio was relatively less defensive during market decline. • The 5-year annualized return was above the benchmark / performance target due to underweighting financial sector and positive stock selection in technology and consumer sectors. • The 10-year annualized return was above the benchmark / performance target due to underweighting financial sector and positive stock selection in technology and consumer sectors. 			
BEA (Industry Scheme) Hong Kong Equity Fund <i>Launch date: 04/01/2010</i>	-13.44	0.10	2.24	1.89
Benchmark / Performance Target ²	-14.93	0.99	2.60	5.59 ⁷
Deviation from the Benchmark / Performance Target ⁶	+1.49	-0.89	-0.36	-3.70 ⁸
Trustee's commentary	<ul style="list-style-type: none"> • The 1-year annualized return was above the benchmark / performance target due to positive contribution from stock selection and underweighting in financial sector. • The 5-year annualized return was below the benchmark / performance target since the portfolio was defensive in the first half of 2015 and 2017 while the market rallied. • The 10-year annualized return was below the benchmark / performance target since the portfolio was defensive in the first half of 2015 and 2017 while the market rallied. 			

Investment report for the year ended 31 March 2020 (continued)

Trustee's Commentary (continued)

A. Trustee's commentary on analysis of the investments held by the scheme and supporting information of its commentary (continued)				
	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
BEA (Industry Scheme) Asian Equity Fund <i>Launch date: 31/01/2012</i>	-12.96	0.07	N/A	1.90
Benchmark / Performance Target ²	-18.37	-0.47	N/A	4.87 ⁷
Deviation from the Benchmark / Performance Target ⁶	+5.41	+0.54	N/A	-2.97 ⁸
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was above the benchmark / performance target due to overweighting in China equities which outperformed in 2019 and early 2020 and positive contribution from stock selection. The 5-year annualized return was above the benchmark / performance target due to overweighting in China equities which outperformed in 2019 and early 2020. 			
BEA China Tracker Fund <i>Launch date: 31/01/2012</i>	-14.16	-2.92	N/A	-0.29
Benchmark / Performance Target ³	-12.37	-1.22	N/A	1.86 ⁷
Deviation from the Benchmark / Performance Target ⁶	-1.79	-1.70	N/A	-2.15 ⁸
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return corresponded to the return of the Hang Seng China Enterprises Index through investing in a single approved index-tracking collective investment scheme, namely the Hang Seng China Enterprises Index ETF. Tracking error of the fund has been on target and within 3%. The 5-year annualized return corresponded to the return of the Hang Seng China Enterprises Index through investing in a single approved index-tracking collective investment scheme, namely the Hang Seng China Enterprises Index ETF. Tracking error of the fund has been on target and within 3%. 			

Investment report for the year ended 31 March 2020 (continued)

Trustee's Commentary (continued)

A. Trustee's commentary on analysis of the investments held by the scheme and supporting information of its commentary (continued)				
	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
BEA Hong Kong Tracker Fund <i>Launch date: 31/01/2012</i>	-16.51	1.50	N/A	3.68
Benchmark / Performance Target ⁴	-15.61	2.59	N/A	5.59 ⁷
Deviation from the Benchmark / Performance Target ⁶	-0.90	-1.09	N/A	-1.91 ⁸
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return corresponded to the return of the Hang Seng Index through investing in a single approved index-tracking collective investment scheme, namely the Tracker Fund of Hong Kong. Tracking error of the fund has been on target and within 3%. The 5-year annualized return corresponded to the return of the Hang Seng Index through investing in a single approved index-tracking collective investment scheme, namely the Tracker Fund of Hong Kong. Tracking error of the fund has been on target and within 3%. 			
BEA (Industry Scheme) RMB & HKD Money Market Fund <i>Launch date: 03/07/2012</i>	-2.11	0.01	N/A	0.36
Benchmark / Performance Target ²	-2.35	0.02	N/A	0.31 ⁷
Deviation from the Benchmark / Performance Target ⁶	+0.24	-0.01	N/A	+0.05 ⁸
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was above the benchmark / performance target due to positive security selection. The 5-year annualized return was below the benchmark / performance target due to conservative security selection. 			

Investment report for the year ended 31 March 2020 (continued)

Trustee's Commentary (continued)

A. Trustee's commentary on analysis of the investments held by the scheme and supporting information of its commentary (continued)				
	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
BEA (Industry Scheme) Age 65 Plus Fund <i>Launch date: 01/04/2017</i>	2.78	N/A	N/A	3.35
Benchmark / Performance Target ⁵	4.08	N/A	N/A	3.40
Deviation from the Benchmark / Performance Target ⁶	-1.30	N/A	N/A	-0.05
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was able to correspond to the reference portfolio due to stable asset allocation and positive security selection. The since launch annualized return was able to correspond to the reference portfolio due to stable asset allocation and positive security selection. 			
BEA (Industry Scheme) Core Accumulation Fund <i>Launch date: 01/04/2017</i>	-4.33	N/A	N/A	2.34
Benchmark / Performance Target ⁵	-4.38	N/A	N/A	2.18
Deviation from the Benchmark / Performance Target ⁶	+0.05	N/A	N/A	+0.16
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was able to correspond to the reference portfolio due to stable asset allocation and positive security selection. The since launch annualized return was able to correspond to the reference portfolio due to stable asset allocation and positive security selection. 			

Investment report for the year ended 31 March 2020 (continued)

Trustee's Commentary (continued)

B. Trustee's assessment framework for deriving its commentary and trustee's action, if any, to address its concern raised in its commentary in Section A

Bank of East Asia (Trustees) Limited ("BEA Trustees") has established an on-going mechanism on fund monitoring in order to monitor and review the performance of constituent funds ("CFs"). BEA Trustees identifies (i) underperformance issues by referencing to the benchmark of non-index tracking CFs; (ii) performance differences or abnormal tracking error by referencing the corresponding index of the index-tracking CFs; and (iii) outperformance and underperformance by referencing the recognized reference portfolio for the Default Investment Strategy ("DIS") CFs (collectively "performance issues").

On a regular basis, BEA Trustees holds review meetings with the investment manager to discuss the overall performance of the CFs. Comprehensive assessment on CF level in different horizons will be reviewed during the meeting. When any performance issues are identified, the investment manager is required to provide explanation and BEA Trustees will determine whether follow-up action has to be taken based on the explanation.

In addition to regular monitoring, BEA Trustees will update the Board of BEA Trustees regarding the fund performance of CFs and/or other issues through different channels including regular reports and meetings.

Note:

- ¹ It refers to the prescribed savings rate prescribed by the Mandatory Provident Fund Schemes Authority.
- ² It refers to the market median of MPF constituent fund under corresponding fund category obtained from Lipper.
- ³ It refers to the Hang Seng China Enterprises Index obtained from Lipper.
- ⁴ It refers to the Hang Seng Index obtained from Lipper.
- ⁵ It refers to the Willis Towers Watson – MPF DIS Reference Portfolios obtained from Hong Kong Investment Funds Association.
- ⁶ The figures of the performance and the benchmark/performance target were rounded to 2 decimal places which may derive a rounding difference in deviation.
- ⁷ The benchmark/performance target may not be meaningful as different funds may have different launch dates.
- ⁸ The deviation from the benchmark/performance target may not be meaningful due to different funds may have different launch dates.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds

The Scheme commenced operations on 1 December 2000. The Scheme offers 12 constituent funds with different investment policies. The constituent funds of the Scheme are BEA (Industry Scheme) MPF Conservative Fund, BEA (Industry Scheme) Growth Fund, BEA (Industry Scheme) Balanced Fund, BEA (Industry Scheme) Stable Fund, BEA (Industry Scheme) Greater China Equity Fund, BEA (Industry Scheme) Hong Kong Equity Fund, BEA (Industry Scheme) Asian Equity Fund, BEA China Tracker Fund, BEA Hong Kong Tracker Fund, BEA (Industry Scheme) RMB & HKD Money Market Fund, BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund.

All constituent funds invest in Approved Pooled Investment Funds (“APIFs”) and/or Approved Index-Tracking Collective Investment Schemes (“ITCISs”) except for the BEA China Tracker Fund and the BEA Hong Kong Tracker Fund which invest in a single approved ITCIS, BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund which invest in a single APIF, the BEA (Industry Scheme) MPF Conservative Fund which invests directly in a portfolio of Hong Kong dollar deposits and Hong Kong dollar denominated debt instruments and the BEA (Industry Scheme) RMB & HKD Money Market Fund which invests directly in a portfolio of mainly Hong Kong dollar and Renminbi deposits and Hong Kong dollar and Renminbi denominated debt instruments.

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

BEA (Industry Scheme) MPF Conservative Fund

Investment objective:

To achieve a minimum rate of return while maintaining stability of the principal amount invested.

Investment policy:

The BEA (Industry Scheme) MPF Conservative Fund solely invests in Hong Kong dollar denominated instruments, namely, short-term deposits and debt securities issued by banks, corporations and governments. The BEA (Industry Scheme) MPF Conservative Fund will not engage in security lending and will not enter into repurchase agreements. The BEA (Industry Scheme) MPF Conservative Fund will not enter into financial futures and options contracts for any purposes.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA (Industry Scheme) Growth Fund

Investment objective:

To achieve long-term capital appreciation within a controlled risk/return framework through investing mainly in global equities with some exposure in global debt securities/money market instruments.

Investment policy:

The BEA (Industry Scheme) Growth Fund will invest primarily in global equity and bond markets. The BEA (Industry Scheme) Growth Fund will invest in a range of APIFs and/or approved ITCISs to obtain exposure to such markets, selected by the Investment Manager having regard to the investment objective and investment policy. The underlying assets of the BEA (Industry Scheme) Growth Fund are expected normally to be invested 60% to 90% in equities and 10% to 40% in cash, debt securities and/or money market instruments. The BEA (Industry Scheme) Growth Fund will not engage in security lending and will not enter into repurchase agreements. The BEA (Industry Scheme) Growth Fund will enter into financial futures and options contracts for hedging purposes only.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA (Industry Scheme) Balanced Fund

Investment objective:

To achieve a stable rate of return with an opportunity for capital appreciation through a balanced weighting of investments in global equities and debt securities.

Investment policy:

The BEA (Industry Scheme) Balanced Fund will invest primarily in global equity and bond markets. The BEA (Industry Scheme) Balanced Fund will invest in a range of APIFs and/or approved ITCISs to obtain exposure to such markets, selected by the Investment Manager having regard to the investment objective and investment policy. The underlying assets of the BEA (Industry Scheme) Balanced Fund are expected normally to be invested 40% to 60% in equities and 40% to 60% in cash, debt securities and/or money market instruments. The BEA (Industry Scheme) Balanced Fund will not engage in security lending and will not enter into repurchase agreements. The BEA (Industry Scheme) Balanced Fund will enter into financial futures and options contracts for hedging purposes only.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA (Industry Scheme) Stable Fund

Investment objective:

To minimise short-term capital risk with modest capital growth over the long term through a higher weighting of investments in global debt securities to provide steady income and a lower exposure to global equities to provide modest potential for capital appreciation.

Investment policy:

The BEA (Industry Scheme) Stable Fund will invest primarily in the global equity and bond markets. The BEA (Industry Scheme) Stable Fund will invest in a range of APIFs and/or approved ITCISs to obtain exposure to such markets, selected by the Investment Manager having regard to the investment objective and investment policy. The underlying assets of the BEA (Industry Scheme) Stable Fund are expected normally to be invested 10% to 40% in equities and 60% to 90% in cash, debt securities and/or money market instruments. The BEA (Industry Scheme) Stable Fund will not engage in security lending and will not enter into repurchase agreements. The BEA (Industry Scheme) Stable Fund will enter into financial futures and options contracts for hedging purposes only.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA (Industry Scheme) Greater China Equity Fund

Investment objective:

To provide investors with long-term capital growth within a controlled risk/return framework through investing mainly in listed securities of companies that derive or are expected to derive a significant portion of their revenues from goods produced or sold, investments made or services performed in Greater China (the “Greater China Securities”).

Investment policy:

The BEA (Industry Scheme) Greater China Equity Fund will invest in a range of APIFs and/or approved ITCISs to obtain exposure to the Greater China Securities, selected by the Investment Manager having regard to the investment objective and investment policy. The underlying assets of the BEA (Industry Scheme) Greater China Equity Fund are expected normally to be invested 70% to 100% in Greater China Securities and up to 30% in cash, debt securities and/or money market instruments for cash management purposes. The BEA (Industry Scheme) Greater China Equity Fund will not engage in security lending and will not enter into repurchase agreements. The BEA (Industry Scheme) Greater China Equity Fund will enter into financial futures and options contracts for hedging purposes only.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA (Industry Scheme) Hong Kong Equity Fund

Investment objective:

To achieve long-term capital appreciation within a controlled risk-return framework through investing mainly in Hong Kong equities, with some exposure in debt securities/money market instruments.

Investment policy:

The BEA (Industry Scheme) Hong Kong Equity Fund will invest in a range of APIFs and/or approved ITCISs to obtain exposure to the Hong Kong equity market, selected by the Investment Manager having regard to the investment objective and investment policy. The underlying assets of the BEA (Industry Scheme) Hong Kong Equity Fund are expected normally to be invested 70% to 100% in equities of companies that are listed in, or derive or are expected to derive a significant portion of their revenues from Hong Kong and up to 30% in cash, debt securities and/or money market instruments for cash management purposes. The BEA (Industry Scheme) Hong Kong Equity Fund will not engage in security lending and will not enter into repurchase agreements. The BEA (Industry Scheme) Hong Kong Equity Fund will enter into financial futures and options contracts for hedging purposes only.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA (Industry Scheme) Asian Equity Fund

Investment objective:

To achieve long-term capital appreciation within a controlled risk/return framework through investing mainly in Asian (ex-Japan) equities, with some exposure in debt securities and/or money market instruments.

Investment policy:

The BEA (Industry Scheme) Asian Equity Fund will invest in a range of APIFs and/or approved ITCISs to obtain exposure to the Asian (ex-Japan) equity markets, selected by the Investment Manager having regard to the investment objective and investment policy. The underlying assets of the BEA (Industry Scheme) Asian Equity Fund are expected normally to be invested at least 70% in equities of companies listed in the Asian equity markets (including but not limited to Singapore, Malaysia, Korea, Taiwan, Thailand, Indonesia, the Philippines, India, China and Hong Kong, but excluding Japan) and up to 30% in cash, debt securities and/or money market instruments for cash management purposes. The BEA (Industry Scheme) Asian Equity Fund will not engage in security lending and will not enter into repurchase agreements. The BEA (Industry Scheme) Asian Equity Fund will enter into financial futures and options contracts for hedging purposes only.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA China Tracker Fund

Investment objective:

To provide investment returns that match the performance of the Hang Seng China Enterprises Index as closely as practicable.

Investment policy:

The BEA China Tracker Fund will invest directly in a single approved ITCIS, namely the Hang Seng China Enterprises Index ETF. The Hang Seng China Enterprises Index ETF aims to provide investment returns that match the performance of the Hang Seng China Enterprises Index as closely as practicable. There can, however, be no assurance that the performance of the BEA China Tracker Fund and the approved ITCIS will at any time be identical to that of the Hang Seng China Enterprises Index. The BEA China Tracker Fund may hold cash and bank deposits for ancillary purposes, such as for meeting redemption requests or defraying operating expenses. The BEA China Tracker Fund and the Hang Seng China Enterprises Index ETF will not engage in security lending and will not enter into repurchase agreements. The BEA China Tracker Fund will not enter into financial futures and options contracts for any purposes. However, the Hang Seng China Enterprises Index ETF may use futures contracts, warrants and options for hedging purposes or to achieve its investment objective.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA Hong Kong Tracker Fund

Investment objective:

To provide investment returns that match the performance of the Hang Seng Index as closely as practicable.

Investment policy:

The BEA Hong Kong Tracker Fund will invest directly in a single approved ITCIS, namely the Tracker Fund of Hong Kong. The underlying approved ITCIS aims to provide investment results that closely correspond to the performance of the Hang Seng Index. There can, however, be no assurance that the performance of the BEA Hong Kong Tracker Fund and the underlying approved ITCIS will at any time be identical to that of the Hang Seng Index. The BEA Hong Kong Tracker Fund may hold cash and bank deposits for ancillary purposes, such as for meeting redemption requests or defraying operating expenses. The BEA Hong Kong Tracker Fund and the underlying approved ITCIS will not engage in security lending and will not enter into repurchase agreements. The BEA Hong Kong Tracker Fund will not enter into financial futures and options contracts for any purposes. However, the underlying approved ITCIS may use futures contracts and options for hedging purposes or to achieve its investment objective.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA (Industry Scheme) RMB & HKD Money Market Fund

Investment objective:

To achieve a rate of return over the long term in line with the interest rate offered by authorised financial institutions in Hong Kong on HKD and RMB savings accounts while maintaining stability of the principal amount invested.

Investment policy:

The BEA (Industry Scheme) RMB & HKD Money Market Fund will primarily invest in HKD and RMB denominated instruments, namely short-term deposits (including certificates of deposits and term deposits) placed with authorised financial institutions in Hong Kong and debt securities (including bonds, fixed and floating rate securities, convertible bonds and notes with a remaining maturity period of two years or less) issued or distributed outside mainland China ("offshore RMB debt securities") by banks, corporations and governments. The BEA (Industry Scheme) RMB & HKD Money Market Fund will not invest in securities issued within mainland China through any qualified foreign institutional investor quota. The target ranges of asset allocation of the BEA (Industry Scheme) RMB & HKD Money Market Fund (as a percentage of its net asset value) are as follows:

Asset allocation	<i>Min %</i>	<i>Max %</i>
Short-term deposits	90%	100%
Debt securities	0%	10%

The BEA (Industry Scheme) RMB & HKD Money Market Fund is denominated in HKD only and not in RMB. However, the BEA (Industry Scheme) RMB & HKD Money Market Fund is expected under normal circumstances to hold at least 50% of its net asset value in assets denominated and settled in RMB, and up to 50% of its net asset value in assets denominated and settled in HKD. In addition, the BEA (Industry Scheme) RMB & HKD Money Market Fund will at all times maintain an effective currency exposure to HKD of not less than 30% by investing in HKD denominated instruments and/or through currency forward contracts.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA (Industry Scheme) RMB & HKD Money Market Fund (continued)

Investment policy: (continued)

Variations to this may occur due to the timing of cashflows to and from the BEA (Industry Scheme) RMB & HKD Money Market Fund. Further, the Investment Manager may, in its discretion, vary the percentage of the BEA (Industry Scheme) RMB & HKD Money Market Fund's holding in RMB and HKD should the Investment Manager determine, in its opinion, that variation is warranted due to market or other conditions such as changes in the exchange policy, currency control or a significant downturn in the economy. The BEA (Industry Scheme) RMB & HKD Money Market Fund will not engage in security lending and will not enter into repurchase agreements. The BEA (Industry Scheme) RMB & HKD Money Market Fund will not enter into financial futures and options contracts for any purposes.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA (Industry Scheme) Age 65 Plus Fund

Investment objective:

To provide stable growth by investing in a globally diversified manner.

Investment policy:

The BEA (Industry Scheme) Age 65 Plus Fund will invest in a single APIF, namely the BEA Union Investment Age 65 Plus Fund under the BEA Union Investment Capital Growth Fund, which in turn invests in two APIFs as allowed under the Mandatory Provident Fund Schemes (General) Regulation (“General Regulation”). The investment manager of the BEA Union Investment Age 65 Plus Fund will from time to time rebalance the allocation between the two APIFs.

Subject to the discretion of the investment manager of the BEA Union Investment Age 65 Plus Fund and through an active asset allocation strategy investing in the two APIFs (which in turn adopt relevant active investment strategy in selecting particular global equities or global bonds), the BEA (Industry Scheme) Age 65 Plus Fund will hold around 20% of its net asset value in Higher Risk Assets, with the remainder investing in Lower Risk Assets. The asset allocation to Higher Risk Assets may vary between 15% and 25% due to differing price movements of various equity and bond markets. There is no prescribed allocation for investments in any specific countries or currencies. Through the BEA (Industry Scheme) Age 65 Plus Fund’s investment in the BEA Union Investment Age 65 Plus Fund, at least 30% of the assets of the BEA (Industry Scheme) Age 65 Plus Fund will be held in HK dollar currency investments as measured by effective currency exposure (determined in accordance with Schedule 1 to the General Regulation). The BEA (Industry Scheme) Age 65 Plus Fund adopts an active investment strategy. With this strategy, the investment manager of the BEA Union Investment Age 65 Plus Fund may allocate the assets among the two underlying APIF(s) at its discretion.

The BEA (Industry Scheme) Age 65 Plus Fund will not engage in security lending and will not enter into repurchase agreements. The BEA Union Investment Age 65 Plus Fund will not invest in any structured deposits or products, and will not enter into any security lending, repurchase transactions or other similar transactions. The BEA (Industry Scheme) Age 65 Plus Fund will not enter into currency forward contracts, financial futures and options contracts for any purposes. However, the BEA Union Investment Age 65 Plus Fund may enter into currency forward contracts, financial futures and options contracts for hedging purposes to reduce risk and protect asset value, consistent with the investment objective of the BEA Union Investment Age 65 Plus Fund.

Investment report for the year ended 31 March 2020 (continued)

Investment objectives and policies of the Scheme and the constituent funds (continued)

BEA (Industry Scheme) Core Accumulation Fund

Investment objective:

To provide capital growth by investing in a globally diversified manner.

Investment policy:

The BEA (Industry Scheme) Core Accumulation Fund will invest in a single APIF, namely the BEA Union Investment Core Accumulation Fund under the BEA Union Investment Capital Growth Fund, which in turn invests in two APIFs as allowed under the General Regulation. The investment manager of the BEA Union Investment Core Accumulation Fund will from time to time rebalance the allocation between the two APIFs.

Subject to the discretion of the investment manager of the BEA Union Investment Core Accumulation Fund and through an active asset allocation strategy investing in the two APIFs (which in turn adopt relevant active investment strategy in selecting particular global equities or global bonds), the BEA (Industry Scheme) Core Accumulation Fund will hold around 60% of its net asset value in Higher Risk Assets, with the remainder investing in Lower Risk Assets. The asset allocation to Higher Risk Assets may vary between 55% and 65% due to differing price movements of various equity and bond markets. There is no prescribed allocation for investments in any specific countries or currencies. Through the BEA (Industry Scheme) Core Accumulation Fund's investment in the BEA Union Investment Core Accumulation Fund, at least 30% of the assets of the BEA (Industry Scheme) Core Accumulation Fund will be held in HK dollar currency investments as measured by effective currency exposure (determined in accordance with Schedule 1 to the General Regulation). The BEA (Industry Scheme) Core Accumulation Fund adopts an active investment strategy. With this strategy, the investment manager of the BEA Union Investment Core Accumulation Fund may allocate the assets among the two underlying APIF(s) at its discretion.

The BEA (Industry Scheme) Core Accumulation Fund will not engage in security lending and will not enter into repurchase agreements. The BEA Union Investment Core Accumulation Fund will not invest in any structured deposits or products, and will not enter into any security lending, repurchase transactions or other similar transactions. The BEA (Industry Scheme) Core Accumulation Fund will not enter into currency forward contracts, financial futures and options contracts for any purposes. However, the BEA Union Investment Core Accumulation Fund may enter into currency forward contracts, financial futures and options contracts for hedging purposes to reduce risk and protect asset value, consistent with the investment objective of the BEA Union Investment Core Accumulation Fund.

Investment report for the year ended 31 March 2020 (continued)

Investment income and performance

	<u>BEA (Industry Scheme) MPF Conservative Fund</u>			<u>BEA (Industry Scheme) Growth Fund</u>			<u>BEA (Industry Scheme) Balanced Fund</u>		
	2020 HK\$	2019 HK\$	2018 HK\$	2020 HK\$	2019 HK\$	2018 HK\$	2020 HK\$	2019 HK\$	2018 HK\$
Net income/(loss) excluding capital appreciation/(depreciation)	59,971,236	47,700,112	24,741,900	(7,683,392)	(6,396,694)	(14,538,047)	(9,638,220)	(8,859,999)	(11,959,573)
Capital (depreciation)/appreciation of investments - realised and unrealised	-	-	-	(236,140,953)	(63,140,578)	369,487,269	(81,925,678)	(21,948,689)	193,651,411
Value of scheme assets derived from investments as at 31 March	<u>2,841,128,263</u>	<u>2,739,967,284</u>	<u>2,537,594,956</u>	<u>2,337,619,930</u>	<u>2,442,509,338</u>	<u>2,520,159,694</u>	<u>1,507,759,536</u>	<u>1,536,977,507</u>	<u>1,538,258,532</u>
	<u>BEA (Industry Scheme) Stable Fund</u>			<u>BEA (Industry Scheme) Greater China Equity Fund</u>			<u>BEA (Industry Scheme) Hong Kong Equity Fund</u>		
	2020 HK\$	2019 HK\$	2018 HK\$	2020 HK\$	2019 HK\$	2018 HK\$	2020 HK\$	2019 HK\$	2018 HK\$
Net loss excluding capital (depreciation)/appreciation	(22,429,206)	(18,237,128)	(22,706,683)	(4,724,550)	(4,217,651)	(3,782,997)	(3,178,282)	(2,311,124)	(2,528,627)
Capital (depreciation)/appreciation of investments - realised and unrealised	(36,520,789)	(12,503,884)	264,598,732	(18,904,894)	(19,029,351)	87,371,460	(51,312,519)	(12,103,487)	72,783,599
Value of scheme assets derived from investments as at 31 March	<u>2,429,052,283</u>	<u>2,391,147,669</u>	<u>2,217,074,448</u>	<u>393,527,319</u>	<u>388,253,706</u>	<u>383,459,417</u>	<u>371,441,337</u>	<u>380,784,293</u>	<u>354,791,387</u>

Investment report for the year ended 31 March 2020 (continued)

Investment income and performance (continued)

	<i>BEA (Industry Scheme) Asian Equity Fund</i>			<i>BEA China Tracker Fund</i>			<i>BEA Hong Kong Tracker Fund</i>		
	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Net (loss)/income excluding capital (depreciation)/appreciation	(1,998,830)	(1,711,714)	(1,620,190)	1,658,041	1,505,656	1,010,815	2,403,158	1,999,611	1,598,477
Capital (depreciation)/appreciation of investments - realised and unrealised	(20,884,953)	(12,578,005)	29,201,347	(14,479,001)	(3,331,680)	9,762,740	(18,879,400)	(1,795,850)	12,628,350
Value of scheme assets derived from investments as at 31 March	<u>154,905,166</u>	<u>156,956,754</u>	<u>147,875,728</u>	<u>82,813,880</u>	<u>83,720,000</u>	<u>75,313,680</u>	<u>89,819,100</u>	<u>87,479,700</u>	<u>74,616,800</u>
	<i>BEA (Industry Scheme) RMB & HKD Money Market Fund</i>			<i>BEA (Industry Scheme) Age 65 Plus Fund⁽¹⁾</i>			<i>BEA (Industry Scheme) Core Accumulation Fund⁽¹⁾</i>		
	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Net (loss)/income excluding capital appreciation/(depreciation)	(2,253,017)	(2,003,232)	5,479,654	(3,421,673)	(2,862,275)	(1,335,838)	(6,805,212)	(4,603,226)	(2,424,453)
Capital appreciation/(depreciation) of investments - realised and unrealised	-	-	-	13,980,967	13,098,821	6,895,240	(39,294,399)	20,834,535	24,974,447
Value of scheme assets derived from investments as at 31 March	<u>106,332,493</u>	<u>95,236,352</u>	<u>81,386,732</u>	<u>434,559,924</u>	<u>390,989,427</u>	<u>332,484,932</u>	<u>884,097,494</u>	<u>706,946,164</u>	<u>479,582,135</u>

⁽¹⁾ The launch date of BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund was 1 April 2017.

Investment report for the year ended 31 March 2020 (continued)

Breakdown of income derived from investments and bank balances

For the year ended 31 March 2020

	<i>Dividend income</i> HK\$	<i>Interest income</i> HK\$	<i>Interest income from financial assets at fair value through profit or loss</i> HK\$	<i>Total</i> HK\$
BEA (Industry Scheme) MPF Conservative Fund	-	124,266	59,848,380	59,972,646
BEA (Industry Scheme) Growth Fund	34,125,508	176,007	-	34,301,515
BEA (Industry Scheme) Balanced Fund	15,441,957	89,593	-	15,531,550
BEA (Industry Scheme) Stable Fund	15,480,750	220,427	-	15,701,177
BEA (Industry Scheme) Greater China Equity Fund	392,511	4,885	-	397,396
BEA (Industry Scheme) Hong Kong Equity Fund	1,760,325	3,399	-	1,763,724
BEA (Industry Scheme) Asian Equity Fund	63,287	1,753	-	65,040
BEA China Tracker Fund	2,235,660	124	-	2,235,784
BEA Hong Kong Tracker Fund	3,043,950	168	-	3,044,118
BEA (Industry Scheme) RMB & HKD Money Market Fund	-	6,266	2,446,641	2,452,907
BEA (Industry Scheme) Age 65 Plus Fund	-	521	-	521
BEA (Industry Scheme) Core Accumulation Fund	-	991	-	991

Investment report for the year ended 31 March 2020 (continued)

Breakdown of income derived from investments and bank balances (continued)

For the year ended 31 March 2019

	<i>Dividend income HK\$</i>	<i>Interest income HK\$</i>	<i>Interest income from financial assets at fair value through profit or loss HK\$</i>	<i>Total HK\$</i>
BEA (Industry Scheme) MPF Conservative Fund	-	89,365	47,617,757	47,707,122
BEA (Industry Scheme) Growth Fund	31,906,308	1,364,971	-	33,271,279
BEA (Industry Scheme) Balanced Fund	13,757,777	828,092	-	14,585,869
BEA (Industry Scheme) Stable Fund	13,818,521	2,596,863	-	16,415,384
BEA (Industry Scheme) Greater China Equity Fund	366,925	5,135	-	372,060
BEA (Industry Scheme) Hong Kong Equity Fund	2,119,230	2,486	-	2,121,716
BEA (Industry Scheme) Asian Equity Fund	118,620	2,132	-	120,752
BEA China Tracker Fund	2,013,660	110	-	2,013,770
BEA Hong Kong Tracker Fund	2,529,720	116	-	2,529,836
BEA (Industry Scheme) RMB & HKD Money Market Fund	-	4,847	2,352,298	2,357,145
BEA (Industry Scheme) Age 65 Plus Fund	-	495	-	495
BEA (Industry Scheme) Core Accumulation Fund	-	802	-	802

Investment report for the year ended 31 March 2020 (continued)

Performance table

(a) **Total net asset value and net asset value per unit**

Name of constituent funds	As at 31 March 2020		As at 31 March 2019		As at 31 March 2018	
	Total net asset value HK\$	Net asset value per unit HK\$	Total net asset value HK\$	Net asset value per unit HK\$	Total net asset value HK\$	Net asset value per unit HK\$
BEA (Industry Scheme) MPF Conservative Fund	3,026,152,953	13.7219	2,879,570,799	13.4468	2,661,587,181	13.2177
BEA (Industry Scheme) Growth Fund	2,462,940,932	20.2404	2,681,663,364	22.2509	2,695,933,739	22.8528
BEA (Industry Scheme) Balanced Fund	1,559,468,242	18.7484	1,656,455,695	19.8524	1,658,422,553	20.2378
BEA (Industry Scheme) Stable Fund	2,548,753,047	18.2217	2,578,777,616	18.6415	2,539,379,188	18.8813
BEA (Industry Scheme) Greater China Equity Fund	396,344,067	13.9758	391,041,435	14.8189	386,402,666	15.8148
BEA (Industry Scheme) Hong Kong Equity Fund	373,926,869	12.1104	384,962,004	13.9892	358,225,605	14.6527
BEA (Industry Scheme) Asian Equity Fund	155,892,536	11.6626	157,862,879	13.3984	149,094,729	14.8631
BEA China Tracker Fund	82,785,824	9.7679	83,730,640	11.3793	75,330,385	11.7399
BEA Hong Kong Tracker Fund	89,777,319	13.4367	87,476,335	16.0926	74,618,992	16.1994
BEA (Industry Scheme) RMB & HKD Money Market Fund	116,147,721	10.2857	102,567,655	10.5068	87,265,757	10.7691
BEA (Industry Scheme) Age 65 Plus Fund ⁽¹⁾	434,226,683	11.0394	390,689,005	10.7404	332,293,245	10.4596
BEA (Industry Scheme) Core Accumulation Fund ⁽¹⁾	883,547,439	10.7177	706,760,162	11.2017	479,375,452	10.9481
	<u>12,129,963,632</u>		<u>12,101,557,589</u>		<u>11,497,929,492</u>	

⁽¹⁾ The launch date of BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund was 1 April 2017.

Investment report for the year ended 31 March 2020 (continued)

Performance table (continued)

(b) Highest and lowest prices

Highest issue price per unit (HK\$)	BEA (Industry Scheme) MPF Conservative Fund	BEA (Industry Scheme) Growth Fund	BEA (Industry Scheme) Balanced Fund	BEA (Industry Scheme) Stable Fund	BEA (Industry Scheme) Greater China Equity Fund	BEA (Industry Scheme) Hong Kong Equity Fund	BEA (Industry Scheme) Asian Equity Fund ⁽¹⁾	BEA China Tracker Fund ⁽¹⁾	BEA Hong Kong Tracker Fund ⁽¹⁾	BEA (Industry Scheme) RMB & HKD Money Market Fund ⁽¹⁾	BEA (Industry Scheme) Age 65 Plus Fund ⁽¹⁾	BEA (Industry Scheme) Core Accumulation Fund ⁽¹⁾
2020	13.7219	23.8860	21.0922	19.5468	16.5557	14.5556	14.7415	11.8306	16.6915	10.5460	11.6011	12.3957
2019	13.4455	23.1788	20.3963	18.9791	16.3145	15.2194	15.1010	12.2441	17.0917	10.7755	10.7409	11.2941
2018	13.2168	24.2459	21.1157	19.3562	17.1542	16.0611	15.9979	13.4411	17.7884	10.7674	10.6019	11.4709
2017	13.0879	19.9191	18.1026	17.7368	12.5248	11.8709	11.9027	10.1898	12.9252	10.1839	-	-
2016	12.9802	20.7534	18.5391	17.5823	14.2344	13.7745	12.4573	13.5318	14.2322	10.3250	-	-
2015	12.8819	19.7096	17.8807	17.2569	12.4976	12.0507	11.9072	11.3299	12.6062	10.3147	-	-
2014	12.7372	18.8948	17.2472	16.7720	11.6340	11.3680	11.0780	10.4188	11.6978	10.3241	-	-
2013	12.6168	17.5169	16.4181	16.3395	10.8223	11.0508	10.9072	10.7679	11.3506	10.1001	-	-
2012	12.4736	17.5243	16.2467	16.0658	11.4170	11.2589	10.1647	10.1614	10.2756	-	-	-
2011	12.3420	17.1851	16.0577	15.9871	11.3614	11.6197	-	-	-	-	-	-

⁽¹⁾ The date of commencement for BEA (Industry Scheme) Asian Equity Fund, BEA China Tracker Fund and BEA Hong Kong Tracker Fund was 31 January 2012.

The date of commencement for BEA (Industry Scheme) RMB & HKD Money Market Fund was 3 July 2012.

The launch date of BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund was 1 April 2017.

Investment report for the year ended 31 March 2020 (continued)

Performance table (continued)

(b) Highest and lowest prices (continued)

Lowest redemption price per unit (HK\$)	BEA (Industry Scheme) MPF Conservative Fund	BEA (Industry Scheme) Growth Fund	BEA (Industry Scheme) Balanced Fund	BEA (Industry Scheme) Stable Fund	BEA (Industry Scheme) Greater China Equity Fund	BEA (Industry Scheme) Hong Kong Equity Fund	BEA (Industry Scheme) Asian Equity Fund ⁽¹⁾	BEA China Tracker Fund ⁽¹⁾	BEA Hong Kong Tracker Fund ⁽¹⁾	BEA (Industry Scheme) RMB & HKD Money Market Fund ⁽¹⁾	BEA (Industry Scheme) Age 65 Plus Fund ⁽¹⁾	BEA (Industry Scheme) Core Accumulation Fund ⁽¹⁾
2020	13.4474	18.6557	17.6402	17.4495	12.6372	10.9771	10.4575	8.7971	12.3948	10.1824	10.6278	9.8606
2019	13.2189	20.2162	18.4273	17.6994	12.6910	11.9353	11.8030	9.8623	13.6585	10.1905	10.2138	10.1587
2018	13.0891	19.7123	17.9595	17.2019	12.1411	11.5166	11.6725	9.5137	12.5539	9.9586	9.9998	9.9802
2017	12.9805	17.8688	16.8609	16.5864	10.0397	9.5558	9.7112	7.7290	10.1432	9.8349	-	-
2016	12.8823	16.8559	16.0385	16.0533	9.3968	8.8241	9.0232	7.0739	9.3940	9.9229	-	-
2015	12.7376	18.3419	16.9743	16.6863	10.7693	10.2449	10.7461	8.7107	10.6268	10.1037	-	-
2014	12.6182	16.6468	15.6959	15.7571	9.4096	9.3317	9.5976	8.0691	9.6427	10.0875	-	-
2013	12.4751	14.9318	14.5685	15.1031	8.4845	8.5377	8.8120	8.0759	8.7466	9.9609	-	-
2012	12.3421	13.9308	13.7965	14.5073	7.6995	7.5698	9.8020	9.0853	9.7465	-	-	-
2011	12.2962	14.2258	13.7418	14.0334	8.4873	8.6416	-	-	-	-	-	-

⁽¹⁾ The date of commencement for BEA (Industry Scheme) Asian Equity Fund, BEA China Tracker Fund and BEA Hong Kong Tracker Fund was 31 January 2012.

The date of commencement for BEA (Industry Scheme) RMB & HKD Money Market Fund was 3 July 2012.

The launch date of BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund was 1 April 2017.

Investment report for the year ended 31 March 2020 (continued)

Performance table (continued)

(c) Net annualised investment return⁽¹⁾

Net annualised investment return (%)	BEA (Industry Scheme) MPF Conservative Fund ⁽³⁾	BEA (Industry Scheme) Growth Fund	BEA (Industry Scheme) Balanced Fund	BEA (Industry Scheme) Stable Fund	BEA (Industry Scheme) Greater China Equity Fund	BEA (Industry Scheme) Hong Kong Equity Fund	BEA (Industry Scheme) Asian Equity Fund ⁽²⁾	BEA China Tracker Fund ⁽²⁾	BEA Hong Kong Tracker Fund ⁽²⁾	BEA (Industry Scheme) RMB & HKD Money Market Fund ⁽²⁾	BEA (Industry Scheme) Age 65 Plus Fund ⁽²⁾	BEA (Industry Scheme) Core Accumulation Fund ⁽²⁾
2020	2.05	(9.04)	(5.56)	(2.25)	(5.69)	(13.43)	(12.96)	(14.16)	(16.50)	(2.10)	2.78	(4.32)
2019	1.73	(2.63)	(1.90)	(1.27)	(6.30)	(4.53)	(9.85)	(3.07)	(0.66)	(2.44)	2.68	2.32
2018	0.99	15.35	12.56	9.73	29.18	26.03	26.79	19.01	27.40	7.85	4.60	9.48
2017	0.83	8.80	5.41	1.81	14.68	16.00	13.97	16.79	19.22	(2.00)	-	-
2016	0.76	(6.98)	(3.81)	(0.94)	(14.58)	(16.83)	(11.49)	(25.45)	(14.47)	(0.88)	-	-
2015	1.14	5.01	3.67	2.26	14.21	15.05	7.61	24.97	15.62	1.33	-	-
2014	0.95	7.59	5.29	3.06	7.13	1.43	1.82	(5.61)	1.18	0.68	-	-
2013	1.15	6.41	5.08	3.87	7.04	8.91	6.94	5.02	9.37	0.76	-	-
2012	1.07	(4.37)	(2.31)	(0.31)	(11.84)	(12.75)	(0.82)	(8.54)	(2.54)	-	-	-
2011	0.37	8.83	7.32	6.20	11.29	11.95	-	-	-	-	-	-

⁽¹⁾ The net annualised investment return represents the percentage change in unit price at the year end during each of these years except for the net investment return in the first financial period which was calculated as the percentage change in unit price between the unit price at the period end date and the initial offer price.

⁽²⁾ The date of commencement for BEA (Industry Scheme) Asian Equity Fund, BEA China Tracker Fund and BEA Hong Kong Tracker Fund was 31 January 2012.

The date of commencement for BEA (Industry Scheme) RMB & HKD Money Market Fund was 3 July 2012.

The launch date of BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund was 1 April 2017.

⁽³⁾ The unit price of BEA (Industry Scheme) MPF Conservative Fund does not reflect the impact of fees and charges which are deducted from members' accounts by way of unit deduction.

Investment report for the year ended 31 March 2020 (continued)

Performance table (continued)

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

<i>Name of constituent funds</i>	<i>2020</i>	
	<i>Transaction costs for the year ended 31 March HK\$</i>	<i>FER for the year ended 31 March⁽¹⁾</i>
BEA (Industry Scheme) MPF Conservative Fund	-	0.83%
BEA (Industry Scheme) Growth Fund	1,089,749	1.42%
BEA (Industry Scheme) Balanced Fund	592,388	1.38%
BEA (Industry Scheme) Stable Fund	924,896	1.35%
BEA (Industry Scheme) Greater China Equity Fund	-	1.34%
BEA (Industry Scheme) Hong Kong Equity Fund	81,085	1.33%
BEA (Industry Scheme) Asian Equity Fund	2,487	1.34%
BEA China Tracker Fund	37,557	1.28%
BEA Hong Kong Tracker Fund	65,030	0.73%
BEA (Industry Scheme) RMB & HKD Money Market Fund	-	0.79%
BEA (Industry Scheme) Age 65 Plus Fund	-	0.83%
BEA (Industry Scheme) Core Accumulation Fund	-	0.82%

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

Investment report as at 31 March 2020 (continued)

Investment portfolio

BEA (Industry Scheme) MPF Conservative Fund

	Nominal value HK\$	Fair value HK\$	Cost HK\$	% of net assets
Short-term deposits				
<i>Hong Kong Dollar</i>				
Bank of East Asia, Limited F/D 2.32% 22 April 2020	10,726,085	10,726,085	10,726,085	0.35
Bank of East Asia, Limited F/D 1.65% 10 June 2020	54,343,310	54,343,310	54,343,310	1.80
China CITIC Bank International Limited F/D 2.26% 29 April 2020	28,612,740	28,612,740	28,612,740	0.95
China CITIC Bank International Limited F/D 1.71% 10 June 2020	21,847,891	21,847,891	21,847,891	0.72
China CITIC Bank International Limited F/D 1.71% 10 June 2020	9,413,683	9,413,683	9,413,683	0.31
China CITIC Bank International Limited F/D 1.71% 10 June 2020	14,632,018	14,632,018	14,632,018	0.48
China CITIC Bank International Limited F/D 1.71% 10 June 2020	101,787,658	101,787,658	101,787,658	3.36
China CITIC Bank International Limited F/D 1.66% 9 September 2020	22,004,081	22,004,081	22,004,081	0.73
China CITIC Bank International Limited F/D 1.66% 9 September 2020	24,772,054	24,772,054	24,772,054	0.82
China CITIC Bank International Limited F/D 1.66% 9 September 2020	43,851,827	43,851,827	43,851,827	1.45
China Construction Bank Corporation F/D 1.27% 10 June 2020	44,271,956	44,271,956	44,271,956	1.46
China Construction Bank Corporation F/D 1.27% 10 June 2020	9,369,305	9,369,305	9,369,305	0.31
China Construction Bank Corporation F/D 1.27% 10 June 2020	77,821,972	77,821,972	77,821,972	2.57
China Construction Bank Corporation F/D 2.03% 26 August 2020	76,088,842	76,088,842	76,088,842	2.51
China Construction Bank Corporation F/D 2.03% 26 August 2020	49,772,009	49,772,009	49,772,009	1.65
China Everbright Bank Co., Ltd. F/D 2.80% 1 April 2020	29,017,754	29,017,754	29,017,754	0.96
China Everbright Bank Co., Ltd. F/D 2.30% 15 April 2020	75,276,332	75,276,332	75,276,332	2.49
China Everbright Bank Co., Ltd. F/D 2.30% 15 April 2020	83,179,520	83,179,520	83,179,520	2.75
China Everbright Bank Co., Ltd. F/D 2.40% 6 May 2020	10,668,563	10,668,563	10,668,563	0.35
China Everbright Bank Co., Ltd. F/D 2.40% 6 May 2020	22,125,953	22,125,953	22,125,953	0.73
China Everbright Bank Co., Ltd. F/D 2.40% 6 May 2020	42,426,944	42,426,944	42,426,944	1.40

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) MPF Conservative Fund (continued)

	Nominal value HK\$	Fair value HK\$	Cost HK\$	% of net assets
Short-term deposits (continued)				
<i>Hong Kong Dollar (continued)</i>				
Chong Hing Bank Limited F/D 2.55% 8 April 2020	48,933,849	48,933,849	48,933,849	1.62
Chong Hing Bank Limited F/D 2.55% 8 April 2020	5,789,449	5,789,449	5,789,449	0.19
Chong Hing Bank Limited F/D 2.58% 15 April 2020	23,180,710	23,180,710	23,180,710	0.77
Chong Hing Bank Limited F/D 2.50% 6 May 2020	13,940,494	13,940,494	13,940,494	0.46
Chong Hing Bank Limited F/D 2.45% 13 May 2020	2,870,083	2,870,083	2,870,083	0.10
Chong Hing Bank Limited F/D 2.00% 10 June 2020	68,530,557	68,530,557	68,530,557	2.26
Chong Hing Bank Limited F/D 2.00% 10 June 2020	7,176,768	7,176,768	7,176,768	0.24
Chong Hing Bank Limited F/D 2.00% 10 June 2020	62,609,873	62,609,873	62,609,873	2.07
Chong Hing Bank Limited F/D 2.20% 26 August 2020	14,348,857	14,348,857	14,348,857	0.47
Chong Hing Bank Limited F/D 2.20% 26 August 2020	18,827,196	18,827,196	18,827,196	0.62
CMB Wing Lung Bank Limited F/D 2.27% 22 April 2020	88,968,393	88,968,393	88,968,393	2.94
CMB Wing Lung Bank Limited F/D 2.30% 6 May 2020	19,649,399	19,649,399	19,649,399	0.65
CMB Wing Lung Bank Limited F/D 2.10% 13 May 2020	10,915,348	10,915,348	10,915,348	0.36
CMB Wing Lung Bank Limited F/D 2.10% 13 May 2020	48,392,757	48,392,757	48,392,757	1.60
CMB Wing Lung Bank Limited F/D 2.10% 13 May 2020	36,662,503	36,662,503	36,662,503	1.21
CMB Wing Lung Bank Limited F/D 2.11% 26 August 2020	41,270,980	41,270,980	41,270,980	1.36
CMB Wing Lung Bank Limited F/D 1.67% 9 September 2020	23,528,778	23,528,778	23,528,778	0.78
Credit Agricole Corporate and Investment Bank F/D 2.05% 22 April 2020	27,752,216	27,752,216	27,752,216	0.92
Credit Agricole Corporate and Investment Bank F/D 2.05% 22 April 2020	15,150,803	15,150,803	15,150,803	0.50
Credit Agricole Corporate and Investment Bank F/D 2.05% 22 April 2020	38,670,824	38,670,824	38,670,824	1.28
Credit Agricole Corporate and Investment Bank F/D 2.05% 22 April 2020	29,244,372	29,244,372	29,244,372	0.97
Credit Agricole Corporate and Investment Bank F/D 2.05% 29 April 2020	41,543,050	41,543,050	41,543,050	1.37

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) MPF Conservative Fund (continued)

	Nominal value HK\$	Fair value HK\$	Cost HK\$	% of net assets
Short-term deposits (continued)				
<i>Hong Kong Dollar (continued)</i>				
DBS Bank (Hong Kong) Limited F/D 2.25% 8 April 2020	11,470,187	11,470,187	11,470,187	0.38
DBS Bank (Hong Kong) Limited F/D 2.32% 8 April 2020	60,000,000	60,000,000	60,000,000	1.98
DBS Bank (Hong Kong) Limited F/D 2.12% 22 April 2020	9,979,887	9,979,887	9,979,887	0.33
DBS Bank (Hong Kong) Limited F/D 2.16% 29 April 2020	37,952,917	37,952,917	37,952,917	1.25
DBS Bank (Hong Kong) Limited F/D 2.16% 29 April 2020	9,275,432	9,275,432	9,275,432	0.31
DBS Bank (Hong Kong) Limited F/D 2.16% 29 April 2020	19,532,317	19,532,317	19,532,317	0.65
DBS Bank (Hong Kong) Limited F/D 2.16% 29 April 2020	11,318,570	11,318,570	11,318,570	0.37
DBS Bank (Hong Kong) Limited F/D 1.67% 10 June 2020	74,078,826	74,078,826	74,078,826	2.45
DBS Bank (Hong Kong) Limited F/D 1.73% 9 September 2020	34,719,009	34,719,009	34,719,009	1.15
Fubon Bank (Hong Kong) Limited F/D 2.45% 8 April 2020	52,723,368	52,723,368	52,723,368	1.74
Fubon Bank (Hong Kong) Limited F/D 1.70% 10 June 2020	59,557,579	59,557,579	59,557,579	1.97
Fubon Bank (Hong Kong) Limited F/D 1.75% 9 September 2020	39,545,815	39,545,815	39,545,815	1.31
Fubon Bank (Hong Kong) Limited F/D 1.75% 9 September 2020	29,479,633	29,479,633	29,479,633	0.97
Fubon Bank (Hong Kong) Limited F/D 1.75% 9 September 2020	35,322,565	35,322,565	35,322,565	1.17
Fubon Bank (Hong Kong) Limited F/D 1.75% 9 September 2020	26,237,583	26,237,583	26,237,583	0.87
Fubon Bank (Hong Kong) Limited F/D 1.75% 9 September 2020	22,991,214	22,991,214	22,991,214	0.76
Industrial and Commercial Bank of China (Asia) Limited F/D 2.10% 8 April 2020	8,494,821	8,494,821	8,494,821	0.28

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) MPF Conservative Fund (continued)

	Nominal value HK\$	Fair value HK\$	Cost HK\$	% of net assets
Short-term deposits (continued)				
<i>Hong Kong Dollar (continued)</i>				
MUFG Bank, Ltd. F/D 2.08% 13 May 2020	50,333,682	50,333,682	50,333,682	1.66
MUFG Bank, Ltd. F/D 2.08% 13 May 2020	45,934,944	45,934,944	45,934,944	1.52
MUFG Bank, Ltd. F/D 2.08% 13 May 2020	39,326,870	39,326,870	39,326,870	1.30
MUFG Bank, Ltd. F/D 2.06% 26 August 2020	44,532,986	44,532,986	44,532,986	1.47
MUFG Bank, Ltd. F/D 2.06% 26 August 2020	50,407,832	50,407,832	50,407,832	1.67
OCBC Wing Hang Bank Limited F/D 2.28% 15 April 2020	35,917,133	35,917,133	35,917,133	1.19
OCBC Wing Hang Bank Limited F/D 2.20% 29 April 2020	70,918,007	70,918,007	70,918,007	2.34
OCBC Wing Hang Bank Limited F/D 2.36% 6 May 2020	14,595,877	14,595,877	14,595,877	0.48
OCBC Wing Hang Bank Limited F/D 2.36% 6 May 2020	49,937,985	49,937,985	49,937,985	1.65
OCBC Wing Hang Bank Limited F/D 2.36% 6 May 2020	91,599,957	91,599,957	91,599,957	3.03
Sumitomo Mitsui Banking Corporation F/D 2.37% 8 April 2020	70,820,184	70,820,184	70,820,184	2.34
Sumitomo Mitsui Banking Corporation F/D 2.27% 15 April 2020	16,779,220	16,779,220	16,779,220	0.55
Sumitomo Mitsui Banking Corporation F/D 1.63% 10 June 2020	82,915,869	82,915,869	82,915,869	2.74
Sumitomo Mitsui Banking Corporation F/D 1.63% 10 June 2020	94,460,238	94,460,238	94,460,238	3.12
Total investments		<u>2,841,128,263</u>	<u>2,841,128,263</u>	<u>93.89</u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) Growth Fund

	<i>Holding units</i>	<i>Fair value HK\$</i>	<i>Cost HK\$</i>	<i>% of net assets</i>
Approved Pooled Investment Funds				
<i>Established in Hong Kong</i>				
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	668,856.3080	87,760,636	68,905,725	3.56
BEA Union Investment Asia Strategic Growth Fund - Class A	789,879.8260	264,657,135	234,953,519	10.74
BEA Union Investment Global Bond Fund - Class A	3,813,292.0320	502,019,896	464,168,822	20.38
BEA Union Investment Global Equity Fund - Class A	487,996.2030	74,233,982	57,480,019	3.01
BEA Union Investment Greater China Growth Fund - Class A	149,442.9500	39,609,854	26,952,184	1.61
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	71,915.6340	10,608,275	8,254,456	0.43
BEA Union Investment Hong Kong Growth Fund - Class A	1,325,316.7950	389,855,188	407,296,398	15.83
BEA Union Investment Money Market Fund - Class A	449,618.9710	45,955,555	44,963,412	1.87
PineBridge Fund Series - PineBridge India Equity Fund - Provident Fund Units	276,794.4032	24,072,229	28,445,325	0.98
Schroder Institutional Pooled Funds - European Equity Fund - Class B	2,345,240.4756	62,508,164	80,334,336	2.54
Approved Index-Tracking Collective Investment Schemes				
<i>Hong Kong</i>				
Tracker Fund of Hong Kong	3,119,500.0000	74,400,075	72,881,751	3.02
<i>The United Kingdom</i>				
Vanguard FTSE Developed Europe UCITS ETF	621,565.0000	132,383,669	173,184,751	5.38
<i>The United States of America</i>				
iShares Europe ETF	230,507.0000	63,123,911	77,012,558	2.56
iShares Global Energy ETF	17,057.0000	2,233,050	4,148,032	0.09
iShares MSCI Australia ETF	314,668.0000	37,902,664	47,608,352	1.54
iShares MSCI Japan ETF	530,889.0000	203,239,863	226,850,651	8.25
SPDR S&P 500 ETF Trust	161,701.0000	323,055,784	328,535,201	13.12
Total investments		<u>2,337,619,930</u>	<u>2,351,975,492</u>	<u>94.91</u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) Balanced Fund

	Holding units	Fair value HK\$	Cost HK\$	% of net assets
Approved Pooled Investment Funds				
<i>Established in Hong Kong</i>				
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	754,274.0080	98,968,293	78,858,644	6.35
BEA Union Investment Asia Strategic Growth Fund - Class A	380,043.4570	127,337,361	117,647,328	8.16
BEA Union Investment Global Bond Fund - Class A	4,586,844.1920	603,858,038	541,940,984	38.72
BEA Union Investment Global Equity Fund - Class A	206,179.6440	31,364,047	21,938,388	2.01
BEA Union Investment Greater China Growth Fund - Class A	69,082.1360	18,310,220	12,459,015	1.17
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	87,696.9350	12,936,175	10,337,462	0.83
BEA Union Investment Hong Kong Growth Fund - Class A	553,539.3950	162,829,148	165,036,042	10.44
BEA Union Investment Money Market Fund - Class A	276,680.3430	28,279,498	27,668,964	1.81
PineBridge Fund Series - PineBridge India Equity Fund - Provident Fund Units	114,078.8893	9,921,202	12,061,916	0.64
Schroder Institutional Pooled Funds - European Equity Fund - Class B	1,086,842.6108	28,967,833	37,228,924	1.86
Approved Index-Tracking Collective Investment Schemes				
<i>Hong Kong</i>				
Tracker Fund of Hong Kong	1,980,000.0000	47,223,000	46,339,851	3.03
<i>The United Kingdom</i>				
Vanguard FTSE Developed Europe UCITS ETF	247,178.0000	52,645,066	68,574,423	3.38
<i>The United States of America</i>				
iShares Europe ETF	94,198.0000	25,795,946	32,000,158	1.65
iShares Global Energy ETF	11,449.0000	1,498,868	2,784,242	0.10
iShares MSCI Australia ETF	133,689.0000	16,103,224	19,965,324	1.03
iShares MSCI Japan ETF	235,515.0000	90,162,042	101,135,351	5.78
SPDR S&P 500 ETF Trust	75,861.0000	151,559,575	157,378,690	9.72
Total investments		<u>1,507,759,536</u>	<u>1,453,355,706</u>	<u>96.68</u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) Stable Fund

	Holding units	Fair value HK\$	Cost HK\$	% of net assets
Approved Pooled Investment Funds				
<i>Established in Hong Kong</i>				
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	1,212,985.4090	159,155,815	134,260,279	6.24
BEA Union Investment Asia Strategic Growth Fund - Class A	406,031.1900	136,044,811	132,618,042	5.34
BEA Union Investment Global Bond Fund - Class A	10,440,768.5190	1,374,527,176	1,227,446,053	53.93
BEA Union Investment Global Equity Fund - Class A	205,988.3300	31,334,945	22,812,382	1.23
BEA Union Investment Greater China Growth Fund - Class A	67,645.3230	17,929,393	12,199,846	0.70
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	89,076.0950	13,139,615	10,570,798	0.52
BEA Union Investment Hong Kong Growth Fund - Class A	464,869.4270	136,745,991	149,477,242	5.36
BEA Union Investment Money Market Fund - Class A	1,322,024.5770	135,124,132	132,208,143	5.30
PineBridge Fund Series - PineBridge India Equity Fund - Provident Fund Units	89,548.6407	7,787,857	9,108,356	0.31
Schroder Institutional Pooled Funds - European Equity Fund - Class B	581,058.0521	15,487,056	19,903,679	0.61
Approved Index-Tracking Collective Investment Schemes				
<i>Hong Kong</i>				
Tracker Fund of Hong Kong	3,231,000.0000	77,059,350	75,593,488	3.02
<i>The United Kingdom</i>				
Vanguard FTSE Developed Europe UCITS ETF	208,447.0000	44,395,966	57,660,752	1.74
<i>The United States of America</i>				
iShares Europe ETF	94,008.0000	25,743,915	32,258,352	1.01
iShares Global Energy ETF	18,840.0000	2,466,475	4,581,634	0.10
iShares MSCI Australia ETF	109,002.0000	13,129,604	16,989,424	0.51
iShares MSCI Japan ETF	217,447.0000	83,245,082	93,862,206	3.27
SPDR S&P 500 ETF Trust	77,951.0000	155,735,100	168,120,345	6.11
Total investments		<u>2,429,052,283</u>	<u>2,299,671,021</u>	<u>95.30</u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) Greater China Equity Fund

	<i>Holding units</i>	<i>Fair value HK\$</i>	<i>Cost HK\$</i>	<i>% of net assets</i>
Approved Pooled Investment Funds				
<i>Established in Hong Kong</i>				
BEA Union Investment Greater China Growth Fund - Class A	1,325,266.9670	351,262,010	266,227,806	88.63
BEA Union Investment Hong Kong Growth Fund - Class A	107,181.0790	31,528,386	25,748,532	7.95
Approved Index-Tracking Collective Investment Schemes				
<i>Hong Kong</i>				
Tracker Fund of Hong Kong	309,046.0000	7,370,747	8,063,057	1.86
<i>The United States of America</i>				
iShares MSCI Taiwan ETF	13,172.0000	3,366,176	3,910,720	0.85
Total investments		<u>393,527,319</u>	<u>303,950,115</u>	<u>99.29</u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) Hong Kong Equity Fund

	<i>Holding units</i>	<i>Fair value HK\$</i>	<i>Cost HK\$</i>	<i>% of net assets</i>
Approved Pooled Investment Fund				
<i>Established in Hong Kong</i>				
BEA Union Investment Hong Kong Growth Fund - Class A	1,121,561.3510	329,918,487	293,020,939	88.23
Approved Index-Tracking Collective Investment Scheme				
<i>Hong Kong</i>				
Tracker Fund of Hong Kong	1,741,000.0000	41,522,850	44,530,852	11.11
Total investments		<u>371,441,337</u>	<u>337,551,791</u>	<u>99.34</u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) Asian Equity Fund

	<i>Holding units</i>	<i>Fair value HK\$</i>	<i>Cost HK\$</i>	<i>% of net assets</i>
Approved Pooled Investment Funds				
<i>Established in Hong Kong</i>				
BEA Union Investment Asia Strategic Growth Fund - Class A	412,389.3630	138,175,180	132,833,768	88.64
PineBridge Fund Series - PineBridge India Equity Fund - Provident Fund Units	136,275.9896	11,851,637	13,094,294	7.60
Approved Index-Tracking Collective Investment Scheme				
<i>The United Kingdom</i>				
iShares MSCI AC Far East ex-Japan UCITS ETF USD (Dist)	13,316.0000	4,878,349	5,461,193	3.13
Total investments		<u>154,905,166</u>	<u>151,389,255</u>	<u>99.37</u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA China Tracker Fund

	<i>Holding units</i>	<i>Fair value HK\$</i>	<i>Cost HK\$</i>	<i>% of net assets</i>
Approved Index-Tracking Collective Investment Scheme				
<i>Hong Kong</i>				
Hang Seng China Enterprises Index ETF	856,400.0000	<u>82,813,880</u>	<u>92,088,066</u>	<u>100.03</u>
Total investments		<u><u>82,813,880</u></u>	<u><u>92,088,066</u></u>	<u><u>100.03</u></u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA Hong Kong Tracker Fund

	<i>Holding units</i>	<i>Fair value HK\$</i>	<i>Cost HK\$</i>	<i>% of net assets</i>
Approved Index-Tracking Collective Investment Scheme				
<i>Hong Kong</i>				
Tracker Fund of Hong Kong	3,766,000.0000	<u>89,819,100</u>	<u>97,771,511</u>	<u>100.05</u>
Total investments		<u><u>89,819,100</u></u>	<u><u>97,771,511</u></u>	<u><u>100.05</u></u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) RMB & HKD Money Market Fund

	Nominal value	Fair value HK\$	Cost HK\$	% of net assets
Short - term deposits				
<i>Hong Kong Dollar</i>				
China CITIC Bank International Limited F/D 2.33% 09 April 2020	2,290,000	2,290,000	2,290,000	1.97
China CITIC Bank International Limited F/D 2.26% 23 April 2020	1,601,015	1,601,015	1,601,015	1.38
China CITIC Bank International Limited F/D 1.25% 14 May 2020	950,516	950,516	950,516	0.82
China CITIC Bank International Limited F/D 1.25% 14 May 2020	795,001	795,001	795,001	0.68
China CITIC Bank International Limited F/D 1.25% 14 May 2020	1,515,613	1,515,613	1,515,613	1.31
China CITIC Bank International Limited F/D 1.25% 14 May 2020	1,038,294	1,038,294	1,038,294	0.89
China CITIC Bank International Limited F/D 2.11% 13 August 2020	1,847,429	1,847,429	1,847,429	1.59
China Construction Bank Corporation F/D 2.02% 16 April 2020	799,862	799,862	799,862	0.69
China Construction Bank Corporation F/D 2.02% 16 April 2020	621,556	621,556	621,556	0.54
China Construction Bank Corporation F/D 2.06% 13 August 2020	1,972,566	1,972,566	1,972,566	1.70
China Construction Bank Corporation F/D 2.06% 13 August 2020	1,451,412	1,451,412	1,451,412	1.25
China Construction Bank Corporation F/D 1.99% 27 August 2020	948,782	948,782	948,782	0.82
Chong Hing Bank Limited F/D 2.45% 07 May 2020	472,136	472,136	472,136	0.41
Chong Hing Bank Limited F/D 2.45% 07 May 2020	1,038,261	1,038,261	1,038,261	0.89
Chong Hing Bank Limited F/D 2.45% 07 May 2020	481,490	481,490	481,490	0.42
Chong Hing Bank Limited F/D 2.25% 13 August 2020	1,270,366	1,270,366	1,270,366	1.09
Chong Hing Bank Limited F/D 1.80% 24 September 2020	1,050,398	1,050,398	1,050,398	0.90
Chong Hing Bank Limited F/D 2.05% 03 December 2020	1,079,203	1,079,203	1,079,203	0.93
Chong Hing Bank Limited F/D 2.05% 03 December 2020	901,179	901,179	901,179	0.78
Chong Hing Bank Limited F/D 2.05% 03 December 2020	478,844	478,844	478,844	0.41
CMB Wing Lung Bank Limited F/D 2.18% 07 May 2020	2,213,229	2,213,229	2,213,229	1.91
CMB Wing Lung Bank Limited F/D 2.18% 07 May 2020	2,498,734	2,498,734	2,498,734	2.15
Credit Agricole Corporate and Investment Bank F/D 2.02% 23 April 2020	1,595,424	1,595,424	1,595,424	1.37
DBS Bank (Hong Kong) Limited F/D 2.21% 09 April 2020	1,046,296	1,046,296	1,046,296	0.90
DBS Bank (Hong Kong) Limited F/D 2.21% 09 April 2020	1,145,000	1,145,000	1,145,000	0.99

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) RMB & HKD Money Market Fund (continued)

	Nominal value	Fair value HK\$	Cost HK\$	% of net assets
Short - term deposits (continued)				
<i>Hong Kong Dollar (continued)</i>				
DBS Bank (Hong Kong) Limited F/D 2.12% 16 April 2020	3,217,153	3,217,153	3,217,153	2.77
DBS Bank (Hong Kong) Limited F/D 1.17% 14 May 2020	883,870	883,870	883,870	0.76
DBS Bank (Hong Kong) Limited F/D 1.17% 14 May 2020	1,287,230	1,287,230	1,287,230	1.11
DBS Bank (Hong Kong) Limited F/D 1.17% 14 May 2020	950,482	950,482	950,482	0.82
Fubon Bank (Hong Kong) Limited F/D 2.45% 09 April 2020	467,510	467,510	467,510	0.40
Fubon Bank (Hong Kong) Limited F/D 1.60% 14 May 2020	629,060	629,060	629,060	0.54
Fubon Bank (Hong Kong) Limited F/D 1.85% 10 December 2020	2,064,389	2,064,389	2,064,389	1.78
Fubon Bank (Hong Kong) Limited F/D 1.85% 10 December 2020	375,092	375,092	375,092	0.32
MUFG Bank, Ltd. F/D 2.06% 13 August 2020	768,969	768,969	768,969	0.66
OCBC Wing Hang Bank Limited F/D 2.35% 09 April 2020	1,024,732	1,024,732	1,024,732	0.88
OCBC Wing Hang Bank Limited F/D 2.35% 09 April 2020	743,556	743,556	743,556	0.64
Standard Chartered Bank (Hong Kong) Limited F/D 1.64% 10 December 2020	979,609	979,609	979,609	0.84
Sumitomo Mitsui Banking Corporation F/D 2.26% 16 April 2020	1,135,128	1,135,128	1,135,128	0.98
Sumitomo Mitsui Banking Corporation F/D 2.28% 23 April 2020	779,484	779,484	779,484	0.67
Sumitomo Mitsui Banking Corporation F/D 2.16% 13 August 2020	1,035,130	1,035,130	1,035,130	0.89
Sumitomo Mitsui Banking Corporation F/D 2.16% 13 August 2020	1,029,915	1,029,915	1,029,915	0.89
Sumitomo Mitsui Banking Corporation F/D 2.20% 03 December 2020	589,840	589,840	589,840	0.51
<i>Renminbi</i>				
China Construction Bank Corporation F/D 2.18% 24 September 2020	1,151,660	1,259,340	1,263,717	1.08
China Construction Bank Corporation F/D 2.18% 24 September 2020	1,152,926	1,260,724	1,265,105	1.09
China Construction Bank Corporation F/D 2.18% 24 September 2020	1,290,731	1,411,415	1,416,319	1.22
China Everbright Bank Co., Ltd F/D 2.80% 07 May 2020	349,255	381,910	388,896	0.33
China Everbright Bank Co., Ltd F/D 2.50% 10 September 2020	1,115,561	1,219,866	1,252,998	1.05
China Everbright Bank Co., Ltd F/D 2.50% 10 September 2020	640,024	699,867	718,875	0.60

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) RMB & HKD Money Market Fund (continued)

	Nominal value	Fair value HK\$	Cost HK\$	% of net assets
Short - term deposits (continued)				
<i>Renminbi (continued)</i>				
China Everbright Bank Co., Ltd F/D 2.50% 10 September 2020	344,363	376,561	386,788	0.32
China Everbright Bank Co., Ltd F/D 2.50% 10 September 2020	2,078,817	2,273,186	2,334,927	1.96
China Everbright Bank Co., Ltd F/D 2.50% 10 September 2020	2,564,579	2,804,367	2,880,535	2.41
China Everbright Bank Co., Ltd F/D 2.50% 10 September 2020	1,083,640	1,184,960	1,217,144	1.02
China Everbright Bank Co., Ltd F/D 2.50% 10 September 2020	274,615	300,292	308,448	0.26
China Everbright Bank Co., Ltd F/D 2.60% 24 September 2020	477,694	522,358	524,173	0.45
CMB Wing Lung Bank Limited F/D 3.03% 07 May 2020	277,440	303,381	308,929	0.26
CMB Wing Lung Bank Limited F/D 3.03% 07 May 2020	473,900	518,210	527,688	0.45
CMB Wing Lung Bank Limited F/D 3.05% 14 May 2020	945,702	1,034,125	1,053,938	0.89
CMB Wing Lung Bank Limited F/D 3.05% 14 May 2020	800,534	875,384	892,156	0.75
CMB Wing Lung Bank Limited F/D 3.05% 14 May 2020	723,291	790,919	806,072	0.68
CMB Wing Lung Bank Limited F/D 2.97% 27 August 2020	1,321,168	1,444,697	1,464,845	1.24
CMB Wing Lung Bank Limited F/D 2.53% 10 September 2020	330,885	361,823	371,650	0.31
CMB Wing Lung Bank Limited F/D 2.72% 24 September 2020	205,063	224,236	225,015	0.19
Fubon Bank (Hong Kong) Limited F/D 2.00% 16 April 2020	910,017	995,103	1,015,715	0.86
Fubon Bank (Hong Kong) Limited F/D 2.70% 07 May 2020	430,908	471,198	479,816	0.41
Fubon Bank (Hong Kong) Limited F/D 2.70% 07 May 2020	3,210,614	3,510,807	3,575,019	3.02
Fubon Bank (Hong Kong) Limited F/D 2.70% 14 May 2020	1,572,566	1,719,601	1,752,546	1.48
Industrial and Commercial Bank of China (Asia) Limited F/D 2.10% 16 April 2020	1,583,633	1,731,702	1,767,572	1.49
Industrial and Commercial Bank of China (Asia) Limited F/D 2.10% 16 April 2020	1,754,386	1,918,421	1,958,158	1.65
Industrial and Commercial Bank of China (Asia) Limited F/D 2.60% 14 May 2020	1,439,618	1,574,223	1,604,383	1.36
Industrial and Commercial Bank of China (Asia) Limited F/D 2.60% 14 May 2020	1,523,653	1,666,114	1,698,035	1.43
Industrial and Commercial Bank of China (Asia) Limited F/D 2.60% 14 May 2020	1,033,993	1,130,671	1,152,334	0.97
Industrial and Commercial Bank of China (Asia) Limited F/D 2.60% 14 May 2020	695,640	760,682	775,256	0.66

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) RMB & HKD Money Market Fund (continued)

	Nominal value	Fair value HK\$	Cost HK\$	% of net assets
Short - term deposits (continued)				
<i>Renminbi (continued)</i>				
Industrial and Commercial Bank of China (Asia) Limited F/D 2.60% 14 May 2020	351,935	384,841	392,214	0.33
Industrial and Commercial Bank of China (Asia) Limited F/D 2.60% 10 September 2020	818,148	894,645	918,944	0.77
MUFG Bank, Ltd. F/D 2.65% 07 May 2020	2,336,547	2,555,014	2,601,745	2.20
MUFG Bank, Ltd. F/D 2.65% 07 May 2020	511,761	559,610	569,845	0.48
MUFG Bank, Ltd. F/D 2.52% 14 May 2020	371,856	406,625	414,378	0.35
MUFG Bank, Ltd. F/D 2.52% 14 May 2020	1,959,505	2,142,719	2,183,575	1.84
MUFG Bank, Ltd. F/D 2.14% 10 December 2020	443,908	485,413	497,398	0.42
OCBC Wing Hang Bank Limited F/D 1.55% 16 April 2020	1,856,559	2,030,147	2,072,198	1.75
OCBC Wing Hang Bank Limited F/D 2.50% 07 May 2020	630,466	689,415	702,024	0.59
OCBC Wing Hang Bank Limited F/D 2.50% 07 May 2020	242,727	265,422	270,276	0.23
OCBC Wing Hang Bank Limited F/D 2.50% 07 May 2020	600,719	656,886	668,901	0.57
OCBC Wing Hang Bank Limited F/D 2.50% 07 May 2020	302,238	330,497	336,542	0.28
OCBC Wing Hang Bank Limited F/D 2.50% 07 May 2020	219,809	240,361	244,758	0.21
OCBC Wing Hang Bank Limited F/D 2.50% 07 May 2020	282,012	308,380	314,020	0.27
OCBC Wing Hang Bank Limited F/D 2.37% 27 August 2020	1,220,524	1,334,643	1,349,106	1.15
Standard Chartered Bank (Hong Kong) Limited F/D 1.60% 16 April 2020	3,189,004	3,487,176	3,559,407	3.00
Standard Chartered Bank (Hong Kong) Limited F/D 1.60% 16 April 2020	438,417	479,409	489,339	0.41
Sumitomo Mitsui Banking Corporation F/D 2.70% 07 May 2020	1,220,927	1,335,084	1,359,502	1.15
Sumitomo Mitsui Banking Corporation F/D 2.50% 14 May 2020	1,348,267	1,474,330	1,502,576	1.27
Sumitomo Mitsui Banking Corporation F/D 2.50% 14 May 2020	1,710,750	1,870,705	1,906,545	1.61
Sumitomo Mitsui Banking Corporation F/D 2.50% 27 August 2020	559,006	611,273	619,798	0.53
Total investments		<u>106,332,493</u>	<u>107,423,898</u>	<u>91.55</u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) Age 65 Plus Fund

	<i> Holding units</i>	<i> Fair value HK\$</i>	<i> Cost HK\$</i>	<i> % of net assets</i>
Approved Pooled Investment Fund				
<i>Established in Hong Kong</i>				
BEA Union Investment Age 65 Plus Fund - Class I	3,833,112.1470	434,559,924	403,367,675	100.08
Total investments		<u>434,559,924</u>	<u>403,367,675</u>	<u>100.08</u>

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

Investment report as at 31 March 2020 (continued)

Investment portfolio (continued)

BEA (Industry Scheme) Core Accumulation Fund

	<i>Holding units</i>	<i>Fair value HK\$</i>	<i>Cost HK\$</i>	<i>% of net assets</i>
Approved Pooled Investment Fund				
<i>Established in Hong Kong</i>				
BEA Union Investment Core Accumulation Fund - Class I	7,994,371.0430	884,097,494	878,562,272	100.06
Total investments		<u>884,097,494</u>	<u>878,562,272</u>	<u>100.06</u>

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

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio

BEA (Industry Scheme) MPF Conservative Fund

	% of net assets	
	As at 31 March 2020	As at 31 March 2019
Short-term deposits		
Hong Kong Dollar	<u>93.89</u>	<u>95.15</u>

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA (Industry Scheme) Growth Fund

	<i>Portfolio holdings</i>			
	<i>As at 31 March 2019 units</i>	<i>Additions units</i>	<i>Disposals units</i>	<i>As at 31 March 2020 units</i>
Approved Pooled Investment Funds				
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	668,856.3080	-	-	668,856.3080
BEA Union Investment Asia Strategic Growth Fund - Class A	685,594.7800	104,285.0460	-	789,879.8260
BEA Union Investment Global Bond Fund - Class A	3,531,543.5310	1,367,090.2450	1,085,341.7440	3,813,292.0320
BEA Union Investment Global Equity Fund - Class A	487,996.2030	-	-	487,996.2030
BEA Union Investment Greater China Growth Fund - Class A	149,442.9500	-	-	149,442.9500
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	71,915.6340	-	-	71,915.6340
BEA Union Investment Hong Kong Growth Fund - Class A	1,034,572.9390	579,582.2330	288,838.3770	1,325,316.7950
BEA Union Investment Money Market Fund - Class A	748,907.4810	-	299,288.5100	449,618.9710
PineBridge Fund Series - PineBridge India Equity Fund - Provident Fund Units	353,178.7822	-	76,384.3790	276,794.4032
Schroder Institutional Pooled Funds - European Equity Fund - Class B	2,345,240.4756	-	-	2,345,240.4756
Approved Index-Tracking Collective Investment Schemes				
iShares Europe ETF	227,805.0000	310,231.0000	307,529.0000	230,507.0000
iShares Global Energy ETF	-	171,395.0000	154,338.0000	17,057.0000
iShares MSCI Australia ETF	393,861.0000	-	79,193.0000	314,668.0000
iShares MSCI Japan ETF	233,557.0000	508,973.0000	211,641.0000	530,889.0000
SPDR S&P 500 ETF Trust	155,366.0000	90,199.0000	83,864.0000	161,701.0000
Tracker Fund of Hong Kong	7,799,500.0000	15,067,000.0000	19,747,000.0000	3,119,500.0000
Vanguard FTSE Developed Europe UCITS ETF	650,001.0000	112,939.0000	141,375.0000	621,565.0000

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA (Industry Scheme) Balanced Fund

	<i>Portfolio holdings</i>			
	<i>As at 31 March 2019 units</i>	<i>Additions units</i>	<i>Disposals units</i>	<i>As at 31 March 2020 units</i>
Approved Pooled Investment Funds				
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	754,274.0080	-	-	754,274.0080
BEA Union Investment Asia Strategic Growth Fund - Class A	316,816.0850	63,227.3720	-	380,043.4570
BEA Union Investment Global Bond Fund - Class A	4,546,184.6810	875,982.7610	835,323.2500	4,586,844.1920
BEA Union Investment Global Equity Fund - Class A	206,179.6440	-	-	206,179.6440
BEA Union Investment Greater China Growth Fund - Class A	69,082.1360	-	-	69,082.1360
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	87,696.9350	-	-	87,696.9350
BEA Union Investment Hong Kong Growth Fund - Class A	479,279.2400	180,387.0870	106,126.9320	553,539.3950
BEA Union Investment Money Market Fund - Class A	468,983.5270	-	192,303.1840	276,680.3430
PineBridge Fund Series - PineBridge India Equity Fund - Provident Fund Units	151,952.7294	-	37,873.8401	114,078.8893
Schroder Institutional Pooled Funds - European Equity Fund - Class B	1,086,842.6108	-	-	1,086,842.6108
Approved Index-Tracking Collective Investment Schemes				
iShares Europe ETF	86,023.0000	202,201.0000	194,026.0000	94,198.0000
iShares Global Energy ETF	-	105,295.0000	93,846.0000	11,449.0000
iShares MSCI Australia ETF	182,105.0000	-	48,416.0000	133,689.0000
iShares MSCI Japan ETF	102,340.0000	268,870.0000	135,695.0000	235,515.0000
SPDR S&P 500 ETF Trust	70,246.0000	54,235.0000	48,620.0000	75,861.0000
Tracker Fund of Hong Kong	3,433,000.0000	7,957,000.0000	9,410,000.0000	1,980,000.0000
Vanguard FTSE Developed Europe UCITS ETF	254,271.0000	80,714.0000	87,807.0000	247,178.0000

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA (Industry Scheme) Stable Fund

	<i>Portfolio holdings</i>			
	<i>As at 31 March 2019 units</i>	<i>Additions units</i>	<i>Disposals units</i>	<i>As at 31 March 2020 units</i>
Approved Pooled Investment Funds				
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	1,212,985.4090	-	-	1,212,985.4090
BEA Union Investment Asia Strategic Growth Fund - Class A	307,713.8490	98,317.3410	-	406,031.1900
BEA Union Investment Global Bond Fund - Class A	10,220,118.1120	1,676,516.3350	1,455,865.9280	10,440,768.5190
BEA Union Investment Global Equity Fund - Class A	205,988.3300	-	-	205,988.3300
BEA Union Investment Greater China Growth Fund - Class A	67,645.3230	-	-	67,645.3230
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	89,076.0950	-	-	89,076.0950
BEA Union Investment Hong Kong Growth Fund - Class A	566,965.6080	194,433.6550	296,529.8360	464,869.4270
BEA Union Investment Money Market Fund - Class A	1,729,799.1780	-	407,774.6010	1,322,024.5770
PineBridge Fund Series - PineBridge India Equity Fund - Provident Fund Units	134,609.6994	-	45,061.0587	89,548.6407
Schroder Institutional Pooled Funds - European Equity Fund - Class B	581,058.0521	-	-	581,058.0521
Approved Index-Tracking Collective Investment Schemes				
iShares Europe ETF	97,163.0000	310,010.0000	313,165.0000	94,008.0000
iShares Global Energy ETF	-	165,388.0000	146,548.0000	18,840.0000
iShares MSCI Australia ETF	184,688.0000	-	75,686.0000	109,002.0000
iShares MSCI Japan ETF	90,417.0000	345,062.0000	218,032.0000	217,447.0000
SPDR S&P 500 ETF Trust	66,772.0000	91,770.0000	80,591.0000	77,951.0000
Tracker Fund of Hong Kong	2,484,500.0000	13,836,000.0000	13,089,500.0000	3,231,000.0000
Vanguard FTSE Developed Europe UCITS ETF	199,947.0000	141,012.0000	132,512.0000	208,447.0000

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA (Industry Scheme) Greater China Equity Fund

	<i>Portfolio holdings</i>			
	<i>As at 31 March 2019 units</i>	<i>Additions units</i>	<i>Disposals units</i>	<i>As at 31 March 2020 units</i>
Approved Pooled Investment Funds				
BEA Union Investment Greater China Growth Fund - Class A	1,246,924.6010	78,342.3660	-	1,325,266.9670
BEA Union Investment Hong Kong Growth Fund - Class A	98,593.8860	8,587.1930	-	107,181.0790
Approved Index-Tracking Collective Investment Schemes				
Tracker Fund of Hong Kong	309,046.0000	-	-	390,046.0000
iShares MSCI Taiwan ETF	13,172.0000	-	-	13,172.0000

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA (Industry Scheme) Hong Kong Equity Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2020 units</i>
	<i>As at 31 March 2019 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Fund				
BEA Union Investment Hong Kong Growth Fund - Class A	913,720.4150	207,840.9360	-	1,121,561.3510
Approved Index-Tracking Collective Investment Scheme				
Tracker Fund of Hong Kong	<u>2,557,500.0000</u>	<u>405,000.0000</u>	<u>1,221,500.0000</u>	<u>1,741,000.0000</u>

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA (Industry Scheme) Asian Equity Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2020 units</i>
	<i>As at 31 March 2019 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Funds				
BEA Union Investment Asia Strategic Growth Fund - Class A	370,905.0550	41,484.3080	-	412,389.3630
PineBridge Fund Series - PineBridge India Equity Fund - Provident Fund Units	131,439.5622	4,836.4274	-	136,275.9896
Approved Index-Tracking Collective Investment Scheme				
iShares MSCI AC Far East ex-Japan UCITS ETF USD (Dist)	6,713.0000	6,603.0000	-	13,316.0000

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA China Tracker Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2020 units</i>
	<i>As at 31 March 2019 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Index-Tracking Collective Investment Scheme				
Hang Seng China Enterprises Index ETF	728,000.0000	166,400.0000	38,000.0000	856,400.0000

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA Hong Kong Tracker Fund

	<i>Portfolio holdings</i>			
	<i>As at 31 March 2019 units</i>	<i>Additions units</i>	<i>Disposals units</i>	<i>As at 31 March 2020 units</i>
Approved Index-Tracking Collective Investment Scheme				
Tracker Fund of Hong Kong	<u>2,975,500.0000</u>	<u>1,087,500.0000</u>	<u>297,000.0000</u>	<u>3,766,000.0000</u>

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA (Industry Scheme) RMB & HKD Money Market Fund

	% of net assets	
	As at 31 March 2020	As at 31 March 2019
Short-term deposits		
Hong Kong Dollar	42.25	34.85
Renminbi	<u>49.30</u>	<u>58.00</u>
	<u>91.55</u>	<u>92.85</u>

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA (Industry Scheme) Age 65 Plus Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2020 units</i>
	<i>As at 31 March 2019 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Fund				
BEA Union Investment Age 65 Plus Fund - Class I	<u>3,573,616.9210</u>	<u>501,301.5230</u>	<u>241,806.2970</u>	<u>3,833,112.1470</u>

Investment report for the year ended 31 March 2020 (continued)

Statement of movements in investment portfolio (continued)

BEA (Industry Scheme) Core Accumulation Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2020 units</i>
	<i>As at 31 March 2019 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Fund				
BEA Union Investment Core Accumulation Fund - Class I	<u>6,165,586.6400</u>	<u>1,888,352.8190</u>	<u>59,568.4160</u>	<u>7,994,371.0430</u>



Independent auditor's report to the Trustee of BEA (MPF) Industry Scheme (the "Scheme")

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Scheme set out on pages 73 to 130, which comprise the statement of net assets available for benefits of the Scheme and the statement of assets and liabilities of each of its constituent funds as at 31 March 2020, and the statement of changes in net assets available for benefits and the cash flow statement of the Scheme, and the statement of comprehensive income and the statement of changes in net assets attributable to members of each of its constituent funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Scheme as at 31 March 2020, and of its financial transactions and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") and with reference to Practice Note 860.1 (Revised), *The Audit of Retirement Schemes* issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Scheme 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 Investment Manager and the Trustee of the Scheme 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.



Independent auditor's report to the Trustee of BEA (MPF) Industry Scheme (the "Scheme") (continued)

Report on the Audit of the Financial Statements (continued)

Responsibilities of Investment Manager and Trustee for the Financial Statements

The Investment Manager and the Trustee 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 Investment Manager and the Trustee 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 Investment Manager and the Trustee of the Scheme are responsible for assessing the Scheme's 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 Investment Manager and the Trustee either intends to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

In addition, the Investment Manager and the Trustee are required to ensure that the financial statements have been properly prepared in accordance with sections 80, 81, 83 and 84 of the Mandatory Provident Fund Schemes (General) Regulation ("General Regulation").

Those charged with governance are responsible for overseeing the Scheme's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 Scheme have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.

Independent auditor's report to the Trustee of BEA (MPF) Industry Scheme (the "Scheme") (continued)

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with HKSA's, 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 Scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Investment Manager and the Trustee of the Scheme.
- Conclude on the appropriateness of the Investment 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 Scheme's 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 Scheme 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 Investment Manager and the Trustee of the Scheme 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.



Independent auditor's report to the Trustee of BEA (MPF) Industry Scheme (the "Scheme") (continued)

Report on matters under the Mandatory Provident Fund Schemes (General) Regulation

- a. In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.
- b. We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

A handwritten signature in black ink, appearing to read 'KPMG' or a similar stylized name.

Certified Public Accountants

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

14 September 2020



Independent auditor's assurance report

To the Trustee of BEA (MPF) Industry Scheme (the "Scheme")

We have audited the financial statements of the Scheme for the year ended 31 March 2020 in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 860.1 (Revised), *The Audit of Retirement Schemes* ("PN 860.1 (Revised)") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and have issued an unqualified auditor's report thereon dated 14 September 2020.

Pursuant to section 102 of the Mandatory Provident Fund Schemes (General) Regulation ("General Regulation"), we are required to report whether the Scheme complied with certain requirements of the Mandatory Provident Fund Schemes Ordinance ("MPFSO") and the General Regulation.

Trustee's responsibility

The General Regulation requires the Trustee to ensure that:

- a. proper accounting and other records are kept in respect of the constituent funds of the Scheme, the Scheme assets and all financial transactions entered into in relation to the Scheme;
- b. the requirements specified in the guidelines made by the Mandatory Provident Fund Schemes Authority ("MPFA") under section 28 of the MPFSO with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 and Part X of, and Schedule 1 to, the General Regulation are complied with;
- c. the requirements under sections 34DB(1)(a), (b), (c) and (d), 34DC(1), 34DD(1) and (4) of the MPFSO are complied with; and
- d. the Scheme assets are not subject to any encumbrance, otherwise than as permitted by the General Regulation.

Our independence and quality control

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

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



Independent auditor's assurance report (continued)

Auditor's responsibility

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

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and with reference to PN 860.1 (Revised) issued by the HKICPA. We have planned and performed our work to obtain reasonable assurance on whether the Scheme has complied with the above requirements.

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

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

Opinion

Based on the foregoing:

1. In our opinion:
 - a. proper accounting and other records have been kept during the year ended 31 March 2020 in respect of the constituent funds of the Scheme, the Scheme assets and all financial transactions entered into in relation to the Scheme; and
 - b. the requirements specified in the guidelines made by the MPFA under section 28 of the MPFSO with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 and Part X of, and Schedule 1 to, the General Regulation have been complied with, in all material respects, as at 31 July 2019, 31 December 2019 and 31 March 2020; and
 - c. the requirements specified in the MPFSO under section 34DB(1)(a), (b), (c) and (d), 34DC(1) and 34DD(1) and (4)(a) with respect to the investment of accrued benefits and control of payment for services relating to BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund have been complied with, in all material respects, as at 31 July 2019, 31 December 2019 and 31 March 2020; and



Independent auditor's assurance report (continued)

Opinion (continued)

Based on the foregoing: (continued)

1. In our opinion: (continued)
 - d. the requirements specified in section 34DD(4)(b) of the MPFSO with respect to the controls of out-of-pocket expenses of the BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund have been complied with, in all material respects, as at 31 March 2020.
2. As at 31 March 2020, the Scheme assets were not subject to any encumbrance, otherwise than as permitted by the General Regulation.

Other Matter

The requirements specified in the MPFSO under sections 34DI(1) and (2) and 34DK(2) with respect to the transfer of accrued benefits to an account and specified notice, and 34DJ(2), (3), (4) and (5) with respect to locating scheme members relating to BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund are not applicable to the Trustee during the year ended 31 March 2020 as the Trustee has completed the relevant transitional provisions and the default investment arrangement of the Scheme prior to 1 April 2017 were not guaranteed funds. Accordingly, there is no reporting on these sections.

Intended users and purpose

This report is intended solely for submission by the Trustee to the MPFA pursuant to section 102 of the General Regulation, and is not intended to be, and should not be, used by anyone for any other purposes.

Certified Public Accountants

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

14 September 2020

Statement of changes in net assets available for benefits
- Industry Scheme
for the year ended 31 March 2020

	Note	2020 HK\$	2019 HK\$
Income			
Net loss on investments in constituent funds	8	(502,461,566)	(112,495,832)
Interest on bank deposits	9(d)	2,233,933	2,215,637
Total investment loss		<u>(500,227,633)</u>	<u>(110,280,195)</u>
Expenses			
Administrative and other expenses		2,253,961	2,213,525
Total operating expenses		<u>2,253,961</u>	<u>2,213,525</u>
Net loss		<u>(502,481,594)</u>	<u>(112,493,720)</u>
Contributions received and receivable	11		
From employers			
- Mandatory		694,796,519	741,283,181
- Additional voluntary		804,538	897,911
From members			
- Mandatory		698,537,411	743,582,789
- Additional voluntary		1,226,245	420,267
		<u>1,395,364,713</u>	<u>1,486,184,148</u>
Contribution surcharge		<u>1,688,537</u>	<u>2,394,699</u>

Statement of changes in net assets available for benefits
- Industry Scheme
for the year ended 31 March 2020 (continued)

	Note	2020 HK\$	2019 HK\$
Transfers in			
Group transfers in from other schemes		89,133,165	78,557,410
Individual transfers in from other schemes		12,011,379	9,898,725
		<u>101,144,544</u>	<u>88,456,135</u>
Benefits paid and payable			
	12		
Retirement		308,889,935	242,758,110
Early retirement		96,474,589	73,427,159
Terminal illness		5,019,381	5,989,229
Death		16,480,590	13,815,475
Permanent departure		61,565,435	55,519,931
Total incapacity		7,762,197	6,462,243
Small balance		13,261	24,923
Refund of contribution to leavers or employers		192,984	637,990
		<u>496,398,372</u>	<u>398,635,060</u>
Transfers out			
Group transfers out to other schemes		60,123,462	71,301,639
Individual transfers out to other schemes		351,386,630	339,295,405
		<u>411,510,092</u>	<u>410,597,044</u>

Statement of changes in net assets available for benefits
- Industry Scheme
for the year ended 31 March 2020 (continued)

	<i>Note</i>	2020 HK\$	2019 HK\$
Forfeitures		1,094	-
Long service payments and severance payments		41,607,732	32,502,842
Fees and expenses deduction for conservative fund		24,734,368	22,696,533
Changes in net assets available for benefits attributable to members		21,464,542	600,109,783
Net assets available for benefits attributable to members at the beginning of the year		12,204,567,076	11,604,457,293
Net assets available for benefits attributable to members at the end of the year		12,226,031,618	12,204,567,076

The notes on pages 86 to 130 form part of these financial statements.

Statement of net assets available for benefits - Industry Scheme as at 31 March 2020

	Note	2020 HK\$	2019 HK\$
Assets			
Investments	6	12,129,963,632	12,101,557,589
Contributions receivables			
- from employers		47,176,766	47,923,979
- from members		47,601,015	48,224,396
Interest receivables		212,776	151,040
Other receivables		97,294	193,232
Bank balances	7, 9(d)	20,792,397	25,175,582
Total assets		<u>12,245,843,880</u>	<u>12,223,225,818</u>
Liabilities			
Benefits payables	7	11,154,343	11,947,009
Accruals and other payables		8,657,919	6,711,733
Total liabilities (excluding net assets available for benefits attributable to members)		<u>19,812,262</u>	<u>18,658,742</u>
Net assets available for benefits attributable to members		<u>12,226,031,618</u>	<u>12,204,567,076</u>

Approved and authorised for issue by the Trustee on 14 September 2020.




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

The notes on pages 86 to 130 form part of these financial statements.

Cash flow statement - Industry Scheme for the year ended 31 March 2020

	2020 HK\$	2019 HK\$
Cash flows from operating activities		
Net loss	(502,481,594)	(112,493,720)
Adjustments for:		
Net loss on investments in constituent funds	502,461,566	112,495,832
Interest on bank deposits	(2,233,933)	(2,215,637)
Fees and expenses deduction for conservative fund	(24,734,368)	(22,696,533)
	<u>(26,988,329)</u>	<u>(24,910,058)</u>
Proceeds from sale of investments	1,255,484,380	1,090,713,926
Payments for purchase of investments	(1,786,351,989)	(1,806,837,855)
Decrease/(increase) in other receivables	95,938	(39,005)
Increase/(decrease) in accruals and other payables	1,946,186	(484,275)
Interest received on bank deposits	2,172,197	2,209,364
	<u>(553,641,617)</u>	<u>(739,347,903)</u>
Cash flows from financing activities		
Contributions and transfers in received	1,499,568,388	1,585,462,694
Benefits paid, transfers out, long service payments and severance payments	(950,308,862)	(843,750,606)
Forfeitures paid	(1,094)	-
	<u>549,258,432</u>	<u>741,712,088</u>
Net cash generated from financing activities		
	<u>549,258,432</u>	<u>741,712,088</u>
Net (decrease)/increase in cash and cash equivalents	(4,383,185)	2,364,185
Cash and cash equivalents at the beginning of the year	<u>25,175,582</u>	<u>22,811,397</u>
Cash and cash equivalents at the end of the year	<u>20,792,397</u>	<u>25,175,582</u>
Analysis of balance of cash and cash equivalents		
Bank balances	<u>20,792,397</u>	<u>25,175,582</u>

The notes on pages 86 to 130 form part of these financial statements.

Statement of comprehensive income - Constituent funds for the year ended 31 March 2020

		2020											
Note	BEA (Industry Scheme) MPF Conservative Fund HK\$	BEA (Industry Scheme) Growth Fund HK\$	BEA (Industry Scheme) Balanced Fund HK\$	BEA (Industry Scheme) Stable Fund HK\$	BEA (Industry Scheme) Greater China Equity Fund HK\$	BEA (Industry Scheme) Hong Kong Equity Fund HK\$	BEA (Industry Scheme) Asian Equity Fund HK\$	BEA (Industry Scheme) China Tracker Fund HK\$	BEA (Industry Scheme) Hong Kong Tracker Fund HK\$	BEA (Industry Scheme) RMB & HKD Money Market Fund HK\$	BEA (Industry Scheme) Age 65 Plus Fund HK\$	BEA (Industry Scheme) Core Accumulation Fund HK\$	
Income													
Net (loss)/gain on investments	8	-	(236,140,953)	(81,925,678)	(36,520,789)	(18,904,894)	(51,312,519)	(20,884,953)	(14,479,001)	(18,879,400)	-	13,980,967	(39,294,399)
Dividend income		-	34,125,508	15,441,957	15,480,750	392,511	1,760,325	63,287	2,235,660	3,043,950	-	-	-
Interest income	9(d)	124,266	176,007	89,593	220,427	4,885	3,399	1,753	124	168	6,266	521	991
Interest income from financial assets at fair value through profit or loss	9(e)	59,848,380	-	-	-	-	-	-	-	-	2,446,641	-	-
Exchange (loss)/gain		-	(305,314)	(417,348)	(806,025)	(6,409)	-	(8,295)	-	-	(3,842,655)	-	-
Total investment income/(loss)		<u>59,972,646</u>	<u>(202,144,752)</u>	<u>(66,811,476)</u>	<u>(21,625,637)</u>	<u>(18,513,907)</u>	<u>(49,548,795)</u>	<u>(20,828,208)</u>	<u>(12,243,217)</u>	<u>(15,835,282)</u>	<u>(1,389,748)</u>	<u>13,981,488</u>	<u>(39,293,408)</u>
Expenses													
Sponsor's fees	9(a)	-	32,562,168	20,133,020	31,721,236	4,862,347	4,645,274	2,003,206	514,494	549,541	863,269	3,156,808	6,374,350
Professional indemnity insurance		-	79,676	49,332	77,259	11,147	10,801	-	-	-	-	11,585	21,130
Safe custody and bank charges		1,410	140,964	78,611	75,280	8,788	7,491	-	4,211	3,437	-	-	-
Auditor's remuneration		-	85,661	85,034	85,661	10,377	10,377	-	-	-	-	53,671	53,672
Legal and other professional fees		-	8,117	5,054	8,025	1,215	1,150	-	-	-	-	1,136	2,328
Printing and postage expenses		-	1,144,427	709,371	1,115,498	166,006	161,703	-	-	-	-	173,913	329,642
Fund price publication expenses		-	14,594	14,594	14,594	14,594	14,594	-	-	-	-	14,594	14,594
Transaction costs		-	1,089,749	592,388	924,896	-	81,085	2,487	37,557	65,030	-	-	-
Miscellaneous expenses		-	519,945	240,929	145,343	9,533	9,531	49,882	21,481	22,952	-	10,487	10,487
Total operating expenses		<u>1,410</u>	<u>35,645,301</u>	<u>21,908,333</u>	<u>34,167,792</u>	<u>5,084,007</u>	<u>4,942,006</u>	<u>2,055,575</u>	<u>577,743</u>	<u>640,960</u>	<u>863,269</u>	<u>3,422,194</u>	<u>6,806,203</u>
Profit/(loss) before taxation		<u>59,971,236</u>	<u>(237,790,053)</u>	<u>(88,719,809)</u>	<u>(55,793,429)</u>	<u>(23,597,914)</u>	<u>(54,490,801)</u>	<u>(22,883,783)</u>	<u>(12,820,960)</u>	<u>(16,476,242)</u>	<u>(2,253,017)</u>	<u>10,559,294</u>	<u>(46,099,611)</u>
Overseas withholding tax	14	-	(6,034,292)	(2,844,089)	(3,156,566)	(31,530)	-	-	-	-	-	-	-
Changes in net assets attributable to members from operations		<u>59,971,236</u>	<u>(243,824,345)</u>	<u>(91,563,898)</u>	<u>(58,949,995)</u>	<u>(23,629,444)</u>	<u>(54,490,801)</u>	<u>(22,883,783)</u>	<u>(12,820,960)</u>	<u>(16,476,242)</u>	<u>(2,253,017)</u>	<u>10,559,294</u>	<u>(46,099,611)</u>

The notes on pages 86 to 130 form part of these financial statements.

Statement of comprehensive income - Constituent funds for the year ended 31 March 2020 (continued)

		2019											
Note	BEA (Industry Scheme) MPF Conservative Fund HK\$	BEA (Industry Scheme) Growth Fund HK\$	BEA (Industry Scheme) Balanced Fund HK\$	BEA (Industry Scheme) Stable Fund HK\$	BEA (Industry Scheme) Greater China Equity Fund HK\$	BEA (Industry Scheme) Hong Kong Equity Fund HK\$	BEA (Industry Scheme) Asian Equity Fund HK\$	BEA (Industry Scheme) China Tracker Fund HK\$	BEA (Industry Scheme) Hong Kong Tracker Fund HK\$	BEA (Industry Scheme) RMB & HKD Money Market Fund HK\$	BEA (Industry Scheme) Age 65 Plus Fund HK\$	BEA (Industry Scheme) Core Accumulation Fund HK\$	
Income													
Net (loss)/gain on investments	8	-	(63,140,578)	(21,948,689)	(12,503,884)	(19,029,351)	(12,103,487)	(12,578,005)	(3,331,680)	(1,795,850)	-	13,098,821	20,834,535
Dividend income		-	31,906,308	13,757,777	13,818,521	366,925	2,119,230	118,620	2,013,660	2,529,720	-	-	-
Interest income	9(d)	89,365	1,364,971	828,092	2,596,863	5,135	2,486	2,132	110	116	4,847	495	802
Interest income from financial assets at fair value through profit or loss	9(e)	47,617,757	-	-	-	-	-	-	-	-	2,352,298	-	-
Exchange (loss)/gain		-	(762,321)	(531,303)	(839,519)	423	-	(29,920)	-	-	(3,628,805)	-	-
Total investment income/(loss)		47,707,122	(30,631,620)	(7,894,123)	3,071,981	(18,656,868)	(9,981,771)	(12,487,173)	(1,317,910)	733,986	(1,271,660)	13,099,316	20,835,337
Expenses													
Sponsor's fees	9(a)	-	31,330,249	19,350,285	29,975,830	4,392,036	4,215,359	1,730,449	451,882	465,312	731,572	2,678,654	4,359,578
Professional indemnity insurance		-	83,670	51,234	78,327	11,539	10,849	-	-	-	-	10,184	14,710
Safe custody and bank charges		7,010	157,030	78,617	77,121	9,346	10,341	-	3,818	3,749	-	-	-
Auditor's remuneration		-	83,468	82,856	83,465	10,175	10,175	-	-	-	-	54,509	54,510
Printing and postage expenses		-	754,834	463,936	713,275	107,598	102,654	-	-	-	-	99,342	155,149
Fund price publication expenses		-	14,594	14,594	14,594	14,594	14,594	-	-	-	-	14,594	14,594
Transaction costs		-	1,445,655	585,873	696,361	9,508	64,337	22,839	33,689	41,878	-	-	-
Miscellaneous expenses		-	584,648	284,860	240,246	4,531	4,531	49,258	18,725	19,286	-	5,487	5,487
Total operating expenses		7,010	34,454,148	20,912,255	31,879,219	4,559,327	4,432,840	1,802,546	508,114	530,225	731,572	2,862,770	4,604,028
Profit/(loss) before taxation		47,700,112	(65,085,768)	(28,806,378)	(28,807,238)	(23,216,195)	(14,414,611)	(14,289,719)	(1,826,024)	203,761	(2,003,232)	10,236,546	16,231,309
Overseas withholding tax	14	-	(4,451,504)	(2,002,310)	(1,933,774)	(30,807)	-	-	-	-	-	-	-
Changes in net assets attributable to members from operations		47,700,112	(69,537,272)	(30,808,688)	(30,741,012)	(23,247,002)	(14,414,611)	(14,289,719)	(1,826,024)	203,761	(2,003,232)	10,236,546	16,231,309

The notes on pages 86 to 130 form part of these financial statements.

Statement of assets and liabilities - Constituent funds as at 31 March 2020

Note	2020												
	BEA (Industry Scheme) MPF Conservative Fund HK\$	BEA (Industry Scheme) Growth Fund HK\$	BEA (Industry Scheme) Balanced Fund HK\$	BEA (Industry Scheme) Stable Fund HK\$	BEA (Industry Scheme) Greater China Equity Fund HK\$	BEA (Industry Scheme) Hong Kong Equity Fund HK\$	BEA (Industry Scheme) Asian Equity Fund HK\$	BEA China Tracker Fund HK\$	BEA Hong Kong Tracker Fund HK\$	BEA (Industry Scheme) RMB & HKD Money Market Fund HK\$	BEA (Industry Scheme) Age 65 Plus Fund HK\$	BEA (Industry Scheme) Core Accumulation Fund HK\$	
Assets													
	Investments	2,841,128,263	2,337,619,930	1,507,759,536	2,429,052,283	393,527,319	371,441,337	154,905,166	82,813,880	89,819,100	106,332,493	434,559,924	884,097,494
6,9(e)	Amounts receivable on sale of investments	-	-	-	-	-	-	-	-	285,242	-	-	-
	Amounts receivable on subscriptions	864,435	-	22,413	170,997	78,310	774,218	67,555	-	-	-	-	96,872
	Interest, dividend and other receivables	8,150,410	2,403,659	1,027,822	925,475	5	7	2	-	1	294,524	1	3
	Prepayments	-	61,422	37,781	59,448	9,050	8,598	-	-	-	-	-	-
9(d)	Bank balances	179,440,164	152,900,528	69,620,637	146,805,637	3,646,837	2,470,894	1,155,557	351,163	106,595	9,610,688	409,675	1,269,167
	Total assets	<u>3,029,583,272</u>	<u>2,492,985,539</u>	<u>1,578,468,189</u>	<u>2,577,013,840</u>	<u>397,261,521</u>	<u>374,695,054</u>	<u>156,128,280</u>	<u>83,165,043</u>	<u>90,210,938</u>	<u>116,237,705</u>	<u>434,969,600</u>	<u>885,463,536</u>
Liabilities													
	Amounts payable on purchase of investments	-	25,251,212	16,408,596	23,488,272	-	-	-	211,756	-	-	197,806	875,438
	Amounts payable on redemptions	3,430,319	1,490,350	571,769	1,720,104	480,527	359,005	60,319	118,797	380,763	9,901	207,981	396,809
9(a)	Accruals and other payables	-	3,303,045	2,019,582	3,052,417	436,927	409,180	175,425	48,666	52,856	80,083	337,130	643,850
	Total liabilities (excluding net assets attributable to members)	<u>3,430,319</u>	<u>30,044,607</u>	<u>18,999,947</u>	<u>28,260,793</u>	<u>917,454</u>	<u>768,185</u>	<u>235,744</u>	<u>379,219</u>	<u>433,619</u>	<u>89,984</u>	<u>742,917</u>	<u>1,916,097</u>
2(c), 4	Net assets attributable to members	<u>3,026,152,953</u>	<u>2,462,940,932</u>	<u>1,559,468,242</u>	<u>2,548,753,047</u>	<u>396,344,067</u>	<u>373,926,869</u>	<u>155,892,536</u>	<u>82,785,824</u>	<u>89,777,319</u>	<u>116,147,721</u>	<u>434,226,683</u>	<u>883,547,439</u>

Statement of assets and liabilities - Constituent funds as at 31 March 2020 (continued)

	Note	2020											
		BEA (Industry Scheme) MPF Conservative Fund HK\$	BEA (Industry Scheme) Growth Fund HK\$	BEA (Industry Scheme) Balanced Fund HK\$	BEA (Industry Scheme) Stable Fund HK\$	BEA (Industry Scheme) Greater China Equity Fund HK\$	BEA (Industry Scheme) Hong Kong Equity Fund HK\$	BEA (Industry Scheme) Asian Equity Fund HK\$	BEA China Tracker Fund HK\$	BEA Hong Kong Tracker Fund HK\$	BEA (Industry Scheme) RMB & HKD Money Market Fund HK\$	BEA (Industry Scheme) Age 65 Plus Fund HK\$	BEA (Industry Scheme) Core Accumulation Fund HK\$
Represented by:													
Number of units outstanding	4	220,535,038.386	121,684,434.201	83,178,762.904	139,874,507.134	28,359,390.662	30,876,578.028	13,366,867.590	8,475,274.534	6,681,500.362	11,292,125.204	39,334,211.095	82,438,296.143
Net asset value per unit	4	13.7219	20.2404	18.7484	18.2217	13.9758	12.1104	11.6626	9.7679	13.4367	10.2857	11.0394	10.7177

Approved and authorised for issue by the Trustee on 14 September 2020.




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

The notes on pages 86 to 130 form part of these financial statements.

Statement of assets and liabilities - Constituent funds as at 31 March 2020 (continued)

Note	2019													
	BEA (Industry Scheme) MPF Conservative Fund HK\$	BEA (Industry Scheme) Growth Fund HK\$	BEA (Industry Scheme) Balanced Fund HK\$	BEA (Industry Scheme) Stable Fund HK\$	BEA (Industry Scheme) Greater China Equity Fund HK\$	BEA (Industry Scheme) Hong Kong Equity Fund HK\$	BEA (Industry Scheme) Asian Equity Fund HK\$	BEA China Tracker Fund HK\$	BEA Hong Kong Tracker Fund HK\$	BEA (Industry Scheme) RMB & HKD Money Market Fund HK\$	BEA (Industry Scheme) Age 65 Plus Fund HK\$	BEA (Industry Scheme) Core Accumulation Fund HK\$		
Assets														
	Investments	6,9(e)	2,739,967,284	2,442,509,338	1,536,977,507	2,391,147,669	388,253,706	380,784,293	156,956,754	83,720,000	87,479,700	95,236,352	390,989,427	706,946,164
	Amounts receivable on sale of investments		-	96,014,124	41,186,471	35,958,835	-	-	-	91,837	72,625	-	35,527	-
	Amounts receivable on subscriptions		722,736	-	-	-	-	3,079	-	-	-	-	-	324,433
	Interest, dividend and other receivables		5,504,054	2,621,248	1,131,314	1,039,883	793	1,416	356	48	46	310,429	184	337
	Prepayments		-	59,203	36,739	57,443	8,131	7,934	-	-	-	-	-	-
	Bank balances	9(d)	135,239,302	145,626,116	79,706,125	155,060,778	3,338,308	5,116,305	1,550,515	269,762	133,881	7,118,823	521,260	732,814
	Total assets		<u>2,881,433,376</u>	<u>2,686,830,029</u>	<u>1,659,038,156</u>	<u>2,583,264,608</u>	<u>391,600,938</u>	<u>385,913,027</u>	<u>158,507,625</u>	<u>84,081,647</u>	<u>87,686,252</u>	<u>102,665,604</u>	<u>391,546,398</u>	<u>708,003,748</u>
Liabilities														
	Amounts payable on purchase of investments		-	-	-	-	-	-	-	22,860	59,034	-	215,809	575,105
	Amounts payable on redemptions		1,862,577	1,790,963	555,604	1,525,859	149,136	546,299	478,901	280,320	101,542	29,743	340,945	157,773
	Accruals and other payables	9(a)	-	3,375,702	2,026,857	2,961,133	410,367	404,724	165,845	47,827	49,341	68,206	300,639	510,708
	Total liabilities (excluding net assets attributable to members)		<u>1,862,577</u>	<u>5,166,665</u>	<u>2,582,461</u>	<u>4,486,992</u>	<u>559,503</u>	<u>951,023</u>	<u>644,746</u>	<u>351,007</u>	<u>209,917</u>	<u>97,949</u>	<u>857,393</u>	<u>1,243,586</u>
	Net assets attributable to members	2(c), 4	<u>2,879,570,799</u>	<u>2,681,663,364</u>	<u>1,656,455,695</u>	<u>2,578,777,616</u>	<u>391,041,435</u>	<u>384,962,004</u>	<u>157,862,879</u>	<u>83,730,640</u>	<u>87,476,335</u>	<u>102,567,655</u>	<u>390,689,005</u>	<u>706,760,162</u>

Statement of assets and liabilities - Constituent funds as at 31 March 2020 (continued)

	Note	2019											
		BEA (Industry Scheme) MPF Conservative Fund HK\$	BEA (Industry Scheme) Growth Fund HK\$	BEA (Industry Scheme) Balanced Fund HK\$	BEA (Industry Scheme) Stable Fund HK\$	BEA (Industry Scheme) Greater China Equity Fund HK\$	BEA (Industry Scheme) Hong Kong Equity Fund HK\$	BEA (Industry Scheme) Asian Equity Fund HK\$	BEA China Tracker Fund HK\$	BEA Hong Kong Tracker Fund HK\$	BEA (Industry Scheme) RMB & HKD Money Market Fund HK\$	BEA (Industry Scheme) Age 65 Plus Fund HK\$	BEA (Industry Scheme) Core Accumulation Fund HK\$
Represented by:													
Number of units outstanding	4	214,145,385.656	120,519,221.814	83,438,487.006	138,335,033.297	26,387,941.029	27,518,566.288	11,782,186.526	7,358,152.649	5,435,797.388	9,762,058.449	36,375,563.931	63,094,038.296
Net asset value per unit	4	13.4468	22.2509	19.8524	18.6415	14.8189	13.9892	13.3984	11.3793	16.0926	10.5068	10.7404	11.2017

Approved and authorised for issue by the Trustee on 14 September 2020.

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

The notes on pages 86 to 130 form part of these financial statements.

Statement of changes in net assets attributable to members - Constituent funds for the year ended 31 March 2020

	2020											
	BEA (Industry Scheme) MPF Conservative Fund HK\$	BEA (Industry Scheme) Growth Fund HK\$	BEA (Industry Scheme) Balanced Fund HK\$	BEA (Industry Scheme) Stable Fund HK\$	BEA (Industry Scheme) Greater China Equity Fund HK\$	BEA (Industry Scheme) Hong Kong Equity Fund HK\$	BEA (Industry Scheme) Asian Equity Fund HK\$	BEA China Tracker Fund HK\$	BEA Hong Kong Tracker Fund HK\$	BEA (Industry Scheme) RMB & HKD Money Market Fund HK\$	BEA (Industry Scheme) Age 65 Plus Fund HK\$	BEA (Industry Scheme) Core Accumulation Fund HK\$
Net assets attributable to members at the beginning of the year	2,879,570,799	2,681,663,364	1,656,455,695	2,578,777,616	391,041,435	384,962,004	157,862,879	83,730,640	87,476,335	102,567,655	390,689,005	706,760,162
Proceeds on subscription of units	451,595,004	242,466,275	143,257,072	264,075,256	67,667,172	113,994,231	37,730,956	23,279,931	39,506,235	26,467,780	104,659,890	271,652,188
Payments on redemption of units	(364,984,086)	(217,364,362)	(148,680,627)	(235,149,830)	(38,735,096)	(70,538,565)	(16,817,516)	(11,403,787)	(20,729,009)	(10,634,697)	(71,681,506)	(48,765,300)
Net subscription/(redemption)	86,610,918	25,101,913	(5,423,555)	28,925,426	28,932,076	43,455,666	20,913,440	11,876,144	18,777,226	15,833,083	32,978,384	222,886,888
Changes in net assets attributable to members from operations	59,971,236	(243,824,345)	(91,563,898)	(58,949,995)	(23,629,444)	(54,490,801)	(22,883,783)	(12,820,960)	(16,476,242)	(2,253,017)	10,559,294	(46,099,611)
Net assets attributable to members at the end of the year	3,026,152,953	2,462,940,932	1,559,468,242	2,548,753,047	396,344,067	373,926,869	155,892,536	82,785,824	89,777,319	116,147,721	434,226,683	883,547,439

The notes on pages 86 to 130 form part of these financial statements.

Statement of changes in net assets attributable to members - Constituent funds for the year ended 31 March 2020 (continued)

	2019											
	<i>BEA (Industry Scheme) MPF Conservative Fund</i> HK\$	<i>BEA (Industry Scheme) Growth Fund</i> HK\$	<i>BEA (Industry Scheme) Balanced Fund</i> HK\$	<i>BEA (Industry Scheme) Stable Fund</i> HK\$	<i>BEA (Industry Scheme) Greater China Equity Fund</i> HK\$	<i>BEA (Industry Scheme) Hong Kong Equity Fund</i> HK\$	<i>BEA (Industry Scheme) Asian Equity Fund</i> HK\$	<i>BEA China Tracker Fund</i> HK\$	<i>BEA Hong Kong Tracker Fund</i> HK\$	<i>BEA (Industry Scheme) RMB & HKD Money Market Fund</i> HK\$	<i>BEA (Industry Scheme) Age 65 Plus Fund</i> HK\$	<i>BEA (Industry Scheme) Core Accumulation Fund</i> HK\$
Net assets attributable to members at the beginning of the year	2,661,587,181	2,695,933,739	1,658,422,553	2,539,379,188	386,402,666	358,225,605	149,094,729	75,330,385	74,618,992	87,265,757	332,293,245	479,375,452
Proceeds on subscription of units	462,970,406	257,193,662	153,545,472	285,321,625	69,038,288	96,843,436	40,118,234	21,787,315	27,355,137	28,900,150	119,321,854	244,442,276
Payments on redemption of units	(292,686,900)	(201,926,765)	(124,703,642)	(215,182,185)	(41,152,517)	(55,692,426)	(17,060,365)	(11,561,036)	(14,701,555)	(11,595,020)	(71,162,640)	(33,288,875)
Net subscription	170,283,506	55,266,897	28,841,830	70,139,440	27,885,771	41,151,010	23,057,869	10,226,279	12,653,582	17,305,130	48,159,214	211,153,401
Changes in net assets attributable to members from operations	47,700,112	(69,537,272)	(30,808,688)	(30,741,012)	(23,247,002)	(14,414,611)	(14,289,719)	(1,826,024)	203,761	(2,003,232)	10,236,546	16,231,309
Net assets attributable to members at the end of the year	2,879,570,799	2,681,663,364	1,656,455,695	2,578,777,616	391,041,435	384,962,004	157,862,879	83,730,640	87,476,335	102,567,655	390,689,005	706,760,162

The notes on pages 86 to 130 form part of these financial statements.

Notes to the financial statements

(Expressed in Hong Kong dollars)

1 The Scheme

BEA (MPF) Industry Scheme (the “Scheme”) is established and governed by its trust deed dated 12 April 2000, as amended (the “Trust Deed”). The Scheme is registered under section 21A of the Mandatory Provident Fund Schemes Ordinance (the “MPF Ordinance”) and is required to comply with the MPF Ordinance and the relevant regulations, guidelines and codes issued by the Mandatory Provident Fund Schemes Authority (the “MPFA”).

Under the Trust Deed, Bank of East Asia (Trustees) Limited (the “Trustee”) is required to establish and maintain separate constituent funds into which contributions may be invested. The constituent funds established within the Scheme are only available for investment by members of the Scheme.

The Scheme had 12 constituent funds as at 31 March 2020:

- BEA (Industry Scheme) MPF Conservative Fund
- BEA (Industry Scheme) Growth Fund
- BEA (Industry Scheme) Balanced Fund
- BEA (Industry Scheme) Stable Fund
- BEA (Industry Scheme) Greater China Equity Fund
- BEA (Industry Scheme) Hong Kong Equity Fund
- BEA (Industry Scheme) Asian Equity Fund
- BEA China Tracker Fund
- BEA Hong Kong Tracker Fund
- BEA (Industry Scheme) RMB & HKD Money Market Fund
- BEA (Industry Scheme) Age 65 Plus Fund
- BEA (Industry Scheme) Core Accumulation Fund

2 Summary of significant accounting policies

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

Changes to significant accounting policies are described in note 3.

(a) *Statement of compliance*

The financial statements for the Scheme and its constituent funds 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 (the “HKICPA”), accounting principles generally accepted in Hong Kong, the relevant provisions of the Trust Deed, and sections 80, 81, 83 and 84 of the Mandatory Provident Fund Schemes (General) Regulation (the “General Regulation”) and the requirements of the MPF Ordinance. A summary of the significant accounting policies adopted by the Scheme and its constituent 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. 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 Scheme and its constituent funds for the current and prior accounting periods reflected in these financial statements.

(b) *Basis of preparation of the financial statements*

The measurement basis used in the preparation of the financial statements is the historical cost basis except that investments 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.

2 Summary of significant accounting policies (continued)

(c) Investments

(i) Classification of financial assets

On initial recognition, the Scheme and its constituent funds classify financial assets as measured at amortised cost or fair value through profit or loss (“FVTPL”).

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

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

All other financial assets of the Scheme and its constituent funds are measured at FVTPL.

Business model assessment

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

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

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Scheme and its constituent funds’ continuing recognition of the assets.

The Scheme and its constituent funds have determined that they have two business models.

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(i) Classification of financial assets (continued)

- Held-to-collect business model: this includes contributions receivables, interest receivables, other receivables, bank balances, amounts receivable on sales of investments, amounts receivable on subscriptions, interest, dividend and other receivables. These financial assets are held to collect contractual cash flow.
- Other business model: this includes approved pooled investment funds and approved index-tracking collective investment schemes. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place.

Assessment whether contractual cash flows are SPPI

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

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

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

The Scheme and its constituent funds classify their investments based on the business model and contractual cash flows assessment. Accordingly, the Scheme and its constituent funds classify all their approved pooled investment funds, approved index-tracking collective investment schemes and short-term deposits into financial assets at FVTPL category. Financial assets measured at amortised cost include contributions receivables, interest receivables, other receivables, bank balances, amounts receivable on sales of investments, amounts receivable on subscriptions, interest, dividend and other receivables.

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(i) Classification of financial assets (continued)

Reclassifications

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

(ii) Classification of financial liabilities

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

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

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

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

Financial liabilities measured at amortised cost include amounts payable on purchase of investments, amounts payable on redemption, benefits payable, accruals and other payables.

(iii) Recognition

The Scheme and its constituent funds recognise financial assets and financial liabilities on the date they become a party to the contractual provisions of the instruments.

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

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

(iv) Measurement

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

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

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(iv) Measurement (continued)

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

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

(v) Fair value measurement principles

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

When available, the Scheme and its constituent funds measure the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Investments in constituent funds, approved pooled investment funds and approved index-tracking collective investment schemes are valued at their respective closing net asset value per unit or quoted last-traded prices, if any.

If there is no quoted price in an active market, then the Scheme and its constituent 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 Scheme and its constituent funds recognise transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

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

(vi) Amortised cost measurement

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

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(vii) Impairment

The Scheme and its constituent funds recognise loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost.

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

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

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

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

The Scheme and its constituent funds consider a financial asset to be in default when:

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

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

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

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

The maximum period considered when estimating ECLs is the maximum contractual period over which the Scheme and its constituent funds are exposed to credit risk.

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(vii) Impairment (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Scheme and its constituent funds in accordance with the contract and the cash flows that the Scheme and its constituent funds expect to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

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

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

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

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

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

Write-off

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

2 Summary of significant accounting policies (continued)

(c) Investments (continued)

(viii) Derecognition

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

Financial assets measured at FVTPL that are sold are derecognised and corresponding receivables from brokers are recognised as of the date the Scheme and its constituent funds commit to sell the assets.

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

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

(d) Income and expenses

Interest income is recognised as it accrues under the effective interest method using the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. Dividend income is recognised when the underlying securities are quoted ex-dividend. Dividend is presented gross of any non-recoverable withholding taxes, which are presented separately in the statement of comprehensive income of the respective constituent funds. Interest income on bank deposits is disclosed separately on the face of the statement of changes in net assets available for benefits of the Scheme and the statement of comprehensive income of the constituent funds. All other income and expenses are accounted for on an accruals basis.

(e) Units in issue

The Scheme and its constituent 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 Scheme and its constituent funds' net assets in the event of the Scheme and its constituent funds' 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 Scheme and its constituent funds' net assets.

2 Summary of significant accounting policies (continued)

(e) *Units in issue (continued)*

- 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 Scheme over the life of the instrument.

In addition to the instrument having all the above features, the Scheme and its constituent funds 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 Scheme; and
- The effect of substantially restricting or fixing the residual return to the puttable instrument holders.

The redeemable units do not provide the members with the right to require redemption for cash at a value proportionate to the members' share in the Scheme and its constituent funds' net assets in the event of the Scheme and its constituent funds' liquidation. Therefore, they do not meet the criteria for equity classification and are classified as financial liabilities. They are measured at the redemption amounts.

(f) *Translation of foreign currencies*

(i) Functional and presentation currency

Items included in the financial statements of the Scheme and its constituent funds are measured using the currency of the primary economic environment in which they operate (the "functional currency"). The financial statements are presented in Hong Kong dollar ("HKD"), which is the functional and presentation currency of the Scheme and its constituent funds.

(ii) Transactions and balances

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

(g) *Subscription and redemption of units*

The price at which units are subscribed or redeemed is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day. Proceeds and payments for units subscribed and redeemed are included in the statement of changes in net assets attributable to members of the constituent funds.

2 Summary of significant accounting policies (continued)

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, net of bank overdrafts that are repayable on demand 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, if any.

(i) Financial assets and liabilities not at fair value

Financial assets that are classified as financial assets measured at amortised cost include contributions receivables, interest receivables, other receivables, bank balances, amounts receivable on sales of investments, amounts receivable on subscriptions, interest, dividend and other receivables.

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

(j) Contributions

Contributions are accounted for on an accruals basis.

(k) Benefits

Benefits are accounted for on an accruals basis.

(l) Transfer values

Transfer values are accounted for on the effective date of transfer.

(m) Forfeitures

If a member ceases to be a member, the part of the employer's voluntary balance not otherwise disposed of in accordance with the rules of the Scheme would be returned to the employer. Forfeitures arising from such cases which have not been returned to the employers would be treated as liabilities of the Scheme.

(n) Related parties

- (a) A person, or a close member of that person's family, is related to the Scheme and its constituent funds if that person:
 - (i) has control or joint control over the Scheme and its constituent funds;
 - (ii) has significant influence over the Scheme and its constituent funds; or
 - (iii) is a member of the key management personnel of the Scheme and its constituent funds or the Scheme and its constituent funds' parent.

2 Summary of significant accounting policies (continued)

(n) Related parties (continued)

- (b) An entity is related to the Scheme and its constituent funds if any of the following conditions applies:
- (i) The entity and the Scheme and its constituent 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 Scheme and its constituent 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); or
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Scheme and its constituent funds or to the Scheme and its constituent funds' 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.

(o) Segment reporting

An operating segment is a component of the Scheme and its constituent funds that engage in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Scheme and its constituent funds' other components, whose operating results are reviewed regularly by the chief operating decision maker (the "CODM") to make decisions about resources allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3 Changes in accounting policies

A number of new standards are effective from 1 April 2019 but they do not have a material effect on the Scheme's financial statements.

The Scheme and its constituent funds have consistently applied the accounting policies as set out in note 2 to all periods presented in these financial statements.

4 Capital management and units in issue

(a) Movement of units in issue

	<i>BEA (Industry Scheme) MPF Conservative Fund</i>		<i>BEA (Industry Scheme) Growth Fund</i>		<i>BEA (Industry Scheme) Balanced Fund</i>	
	<i>2020 Units</i>	<i>2019 Units</i>	<i>2020 Units</i>	<i>2019 Units</i>	<i>2020 Units</i>	<i>2019 Units</i>
Balance at the beginning of the year	214,145,385.656	201,366,040.467	120,519,221.814	117,969,522.305	83,438,487.006	81,946,837.782
Units issued	33,251,731.956	34,757,997.277	10,892,001.062	11,728,042.876	7,147,211.858	7,865,026.948
Units redeemed	(26,862,079.226)	(21,978,652.088)	(9,726,788.675)	(9,178,343.367)	(7,406,935.960)	(6,373,377.724)
Balance at the end of the year	<u>220,535,038.386</u>	<u>214,145,385.656</u>	<u>121,684,434.201</u>	<u>120,519,221.814</u>	<u>83,178,762.904</u>	<u>83,438,487.006</u>
	<i>BEA (Industry Scheme) Stable Fund</i>		<i>BEA (Industry Scheme) Greater China Equity Fund</i>		<i>BEA (Industry Scheme) Hong Kong Equity Fund</i>	
	<i>2020 Units</i>	<i>2019 Units</i>	<i>2020 Units</i>	<i>2019 Units</i>	<i>2020 Units</i>	<i>2019 Units</i>
Balance at the beginning of the year	138,335,033.297	134,491,932.589	26,387,941.029	24,432,987.252	27,518,566.288	24,447,755.076
Units issued	13,959,667.659	15,572,355.773	4,595,713.847	4,780,918.983	8,629,141.126	7,167,400.954
Units redeemed	(12,420,193.822)	(11,729,255.065)	(2,624,264.214)	(2,825,965.206)	(5,271,129.386)	(4,096,589.742)
Balance at the end of the year	<u>139,874,507.134</u>	<u>138,335,033.297</u>	<u>28,359,390.662</u>	<u>26,387,941.029</u>	<u>30,876,578.028</u>	<u>27,518,566.288</u>

4 Capital management and units in issue (continued)

(a) Movement of units in issue (continued)

	<i>BEA (Industry Scheme) Asian Equity Fund</i>		<i>BEA China Tracker Fund</i>		<i>BEA Hong Kong Tracker Fund</i>	
	<i>2020 Units</i>	<i>2019 Units</i>	<i>2020 Units</i>	<i>2019 Units</i>	<i>2020 Units</i>	<i>2019 Units</i>
Balance at the beginning of the year	11,782,186.526	10,031,186.257	7,358,152.649	6,416,602.703	5,435,797.388	4,606,294.973
Units issued	2,864,285.886	3,011,515.161	2,168,728.156	1,985,396.325	2,600,860.195	1,778,611.102
Units redeemed	(1,279,604.822)	(1,260,514.892)	(1,051,606.271)	(1,043,846.379)	(1,355,157.221)	(949,108.687)
Balance at the end of the year	<u>13,366,867.590</u>	<u>11,782,186.526</u>	<u>8,475,274.534</u>	<u>7,358,152.649</u>	<u>6,681,500.362</u>	<u>5,435,797.388</u>
	<i>BEA (Industry Scheme) RMB & HKD Money Market Fund</i>		<i>BEA (Industry Scheme) Age 65 Plus Fund</i>		<i>BEA (Industry Scheme) Core Accumulation Fund</i>	
	<i>2020 Units</i>	<i>2019 Units</i>	<i>2020 Units</i>	<i>2019 Units</i>	<i>2020 Units</i>	<i>2019 Units</i>
Balance at the beginning of the year	9,762,058.449	8,103,319.180	36,375,563.931	31,769,228.904	63,094,038.296	43,786,062.714
Units issued	2,558,445.848	2,769,659.058	9,396,428.697	11,433,819.049	23,550,758.569	22,349,127.563
Units redeemed	(1,028,379.093)	(1,110,919.789)	(6,437,781.533)	(6,827,484.022)	(4,206,500.722)	(3,041,151.981)
Balance at the end of the year	<u>11,292,125.204</u>	<u>9,762,058.449</u>	<u>39,334,211.095</u>	<u>36,375,563.931</u>	<u>82,438,296.143</u>	<u>63,094,038.296</u>

4 Capital management and units in issue (continued)

(b) Net assets attributable to members and net assets attributable to members per unit as at 31 March

	<i>BEA (Industry Scheme) MPF Conservative Fund</i>		<i>BEA (Industry Scheme) Growth Fund</i>		<i>BEA (Industry Scheme) Balanced Fund</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Net assets attributable to members	<u>3,026,152,953</u>	<u>2,879,570,799</u>	<u>2,462,940,932</u>	<u>2,681,663,364</u>	<u>1,559,468,242</u>	<u>1,656,455,695</u>
Net assets attributable to members per unit	<u>13.7219</u>	<u>13.4468</u>	<u>20.2404</u>	<u>22.2509</u>	<u>18.7484</u>	<u>19.8524</u>
	<i>BEA (Industry Scheme) Stable Fund</i>		<i>BEA (Industry Scheme) Greater China Equity Fund</i>		<i>BEA (Industry Scheme) Hong Kong Equity Fund</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Net assets attributable to members	<u>2,548,753,047</u>	<u>2,578,777,616</u>	<u>396,344,067</u>	<u>391,041,435</u>	<u>373,926,869</u>	<u>384,962,004</u>
Net assets attributable to members per unit	<u>18.2217</u>	<u>18.6415</u>	<u>13.9758</u>	<u>14.8189</u>	<u>12.1104</u>	<u>13.9892</u>

4 Capital management and units in issue (continued)

(b) Net assets attributable to members and net assets attributable to members per unit as at 31 March (continued)

	<i>BEA (Industry Scheme) Asian Equity Fund</i>		<i>BEA China Tracker Fund</i>		<i>BEA Hong Kong Tracker Fund</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Net assets attributable to members	<u>155,892,536</u>	<u>157,862,879</u>	<u>82,785,824</u>	<u>83,730,640</u>	<u>89,777,319</u>	<u>87,476,335</u>
Net assets attributable to members per unit	<u>11.6626</u>	<u>13.3984</u>	<u>9.7679</u>	<u>11.3793</u>	<u>13.4367</u>	<u>16.0926</u>
	<i>BEA (Industry Scheme) RMB & HKD Money Market Fund</i>		<i>BEA (Industry Scheme) Age 65 Plus Fund</i>		<i>BEA (Industry Scheme) Core Accumulation Fund</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Net assets attributable to members	<u>116,147,721</u>	<u>102,567,655</u>	<u>434,226,683</u>	<u>390,689,005</u>	<u>883,547,439</u>	<u>706,760,162</u>
Net assets attributable to members per unit	<u>10.2857</u>	<u>10.5068</u>	<u>11.0394</u>	<u>10.7404</u>	<u>10.7177</u>	<u>11.2017</u>

4 Capital management and units in issue (continued)

(b) *Net assets attributable to members and net assets attributable to members per unit as at 31 March (continued)*

The capital of the constituent funds is represented by the net assets attributable to members. Subscription and redemption of units during the year are shown in the statements of changes in net assets attributable to members of the respective constituent funds. The amount of net assets attributable to members can change significantly on a daily basis as the constituent funds are subject to daily subscriptions and redemptions at the discretion of members. The constituent funds' objective when managing capital is to safeguard their ability to continue as a going concern in order to provide retirement benefits to members and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the constituent funds.

In order to maintain or adjust the capital structure, the Scheme policy is to perform the following:

- monitor the level of daily subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units of the constituent funds in accordance with the Trust Deed.

The Trustee monitors capital on the basis of the value of net assets attributable to members.

5 Financial risk management

Strategy in using financial instruments

The investment objective of BEA (Industry Scheme) MPF Conservative Fund is to achieve a minimum rate of return while maintaining stability of the principal amount invested.

The investment objective of BEA (Industry Scheme) Growth Fund is to achieve long-term capital appreciation within a controlled risk/return framework through investing mainly in global equities with some exposure in global debt securities/money market instruments.

The investment objective of BEA (Industry Scheme) Balanced Fund is to achieve a stable rate of return with an opportunity for capital appreciation through a balanced weighting of investments in global equities and debt securities.

The investment objective of BEA (Industry Scheme) Stable Fund is to minimise short-term capital risk with modest capital growth over the long term through a higher weighting of investments in global debt securities to provide steady income and a lower exposure to global equities to provide modest potential for capital appreciation.

The investment objective of BEA (Industry Scheme) Greater China Equity Fund is to provide investors with long-term capital growth within a controlled risk/return framework through investing mainly in listed securities of companies that derive or are expected to derive a significant portion of their revenues from goods produced or sold, investments made or services performed in Greater China (the "Greater China Securities").

The investment objective of BEA (Industry Scheme) Hong Kong Equity Fund is to achieve long-term capital appreciation within a controlled risk/return framework through investing mainly in Hong Kong equities, with some exposure in debt securities and/or money market instruments.

5 Financial risk management (continued)

Strategy in using financial instruments (continued)

The investment objective of BEA (Industry Scheme) Asian Equity Fund is to achieve long-term capital appreciation within a controlled risk/return framework through investing mainly in Asian (ex-Japan) equities, with some exposure in debt securities and/or money market instruments.

The investment objective of BEA China Tracker Fund is to provide investment returns that match the performance of the Hang Seng China Enterprises Index as closely as practicable.

The investment objective of BEA Hong Kong Tracker Fund is to provide investment returns that match the performance of the Hang Seng Index as closely as practicable.

The investment objective of BEA (Industry Scheme) RMB & HKD Money Market Fund is to achieve a rate of return over the long term in line with the interest rate offered by authorised financial institutions in Hong Kong on HKD and RMB savings accounts while maintaining stability of the principal amount invested.

The investment objective of BEA (Industry Scheme) Age 65 Plus Fund is to provide stable growth by investing in a globally diversified manner.

The investment objective of BEA (Industry Scheme) Core Accumulation Fund is to provide capital growth by investing in a globally diversified manner.

The activities of the constituent funds expose them to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Scheme and its constituent funds are exposed to various risks which are discussed below.

(a) Market risk

Market risk embodies the potential for both gains and losses and includes currency risk, interest rate risk and other price risk. The Scheme's strategy on the management of market risk is driven by the Scheme's investment objective.

The Scheme's market risk is managed on a regular basis by BEA Union Investment Management Limited (the "Investment Manager") in accordance with policies and procedures in place. The Scheme's overall market position is monitored on a regular basis by the Trustee. Details of the nature of the Scheme's investment portfolio at the reporting date are disclosed in the investment report.

(i) Currency risk

The Scheme and its constituent funds may hold assets and liabilities denominated in currencies other than their functional currency. The Scheme and its constituent funds may also be exposed to currency risk indirectly via the investment funds held by them as the investment funds may invest in financial instruments denominated in currencies other than their reporting currencies. Therefore, the Scheme and its constituent funds are exposed to currency risk that the exchange rate may change in a manner that has an adverse effect on the value of their assets and liabilities.

5 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

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 Investment Manager monitors all the Scheme's foreign currency positions on a daily basis. Except for BEA (Industry Scheme) Growth Fund, BEA (Industry Scheme) Balanced Fund, BEA (Industry Scheme) Stable Fund, BEA (Industry Scheme) Asian Equity Fund and BEA (Industry Scheme) RMB & HKD Money Market Fund, all other constituent funds are not subject to direct currency risk as their assets and liabilities are denominated in HKD which is their functional currency, or United States dollars ("USD") which is pegged to HKD.

Sensitivity analysis

BEA (Industry Scheme) Growth Fund's, BEA (Industry Scheme) Balanced Fund's, BEA (Industry Scheme) Stable Fund's, BEA (Industry Scheme) Asian Equity Fund's and BEA (Industry Scheme) RMB & HKD Money Market Fund's net direct exposure to each currency other than HKD or USD as at the reporting date and the estimated change to net assets attributable to members and the changes in net assets attributable to members from operations had the HKD weakened by 5% (2019: 5%) are illustrated below. The analysis is performed on the same basis as 2019.

As at 31 March

	2020		2019	
	Net direct exposure HK\$	Estimated change had the HKD weakened by 5% HK\$	Net direct exposure HK\$	Estimated change had the HKD weakened by 5% HK\$
BEA (Industry Scheme) Growth Fund				
British Pound	<u>133,242,118</u>	<u>6,662,106</u>	<u>182,493,126</u>	<u>9,124,656</u>
BEA (Industry Scheme) Balanced Fund				
British Pound	<u>52,986,600</u>	<u>2,649,330</u>	<u>72,143,079</u>	<u>3,607,154</u>
BEA (Industry Scheme) Stable Fund				
British Pound	<u>44,684,300</u>	<u>2,234,215</u>	<u>66,860,515</u>	<u>3,343,026</u>
BEA (Industry Scheme) Asian Equity Fund				
British Pound	<u>4,878,349</u>	<u>243,917</u>	<u>2,866,569</u>	<u>143,328</u>
BEA (Industry Scheme) RMB & HKD Money Market Fund				
Renminbi	<u>58,590,713</u>	<u>2,929,536</u>	<u>59,704,434</u>	<u>2,985,222</u>

5 Financial risk management (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Sensitivity analysis (continued)

As HKD is pegged to USD, BEA (Industry Scheme) Growth Fund, BEA (Industry Scheme) Balanced Fund, BEA (Industry Scheme) Stable Fund, BEA (Industry Scheme) Asian Equity Fund and BEA (Industry Scheme) RMB & HKD Money Market Fund do not expect any significant movement in USD/HKD exchange rate. A 5% appreciation of HKD against the above currencies would have resulted in an equal but opposite effect on the financial statements, on the basis that all other variables remain constant.

(ii) Interest rate risk

Interest rate risk arises from changes in interest rates which may inversely affect the value of a financial instrument and therefore result in a potential gain or loss to the Scheme and its constituent funds.

All constituent funds did not have any interest bearing liabilities as at year end and their interest bearing assets were limited to bank deposits only; accordingly it is considered that they did not have significant direct interest rate risk exposure.

The Investment Manager monitors the Scheme's direct exposure to interest rate risk on a regular basis.

(iii) Other price risk

Other 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 factors affecting all instruments traded in the market.

The breakdown of investments held by the Scheme and its constituent funds is shown in investment report.

The Scheme's market risk is managed through (i) deliberate securities selection and (ii) diversification of the investment portfolio. The Investment Manager monitors the Scheme's market position on a daily basis.

5 Financial risk management (continued)

(a) Market risk (continued)

(iii) Other price risk (continued)

Sensitivity analysis

The Investment Manager projects the possible movement of the underlying benchmark indices (the “potential movement”) based on historical experience. If the underlying benchmark indices had changed by the following percentages, which are based on the Investment 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 members and the changes in net assets attributable to members from operations would have changed accordingly as shown below. An equal change in the opposite direction would have changed the net assets attributable to members and the changes in net assets attributable to members from operations, by an equal but opposite amount. The analysis is performed on the same basis as 2019.

For BEA (Industry Scheme) MPF Conservative Fund and BEA (Industry Scheme) RMB & HKD Money Market Fund, as they only invest in short-term deposits which are not subject to other price risk, no sensitivity analysis is performed.

	<i>% of possible reasonable shift</i>	<i>Estimated increase 2020 HK\$</i>	<i>Estimated increase 2019 HK\$</i>
BEA (Industry Scheme) Growth Fund (note (a))	5%	117,598,198	121,105,978
BEA (Industry Scheme) Balanced Fund (note (b))	5%	78,519,307	75,574,736
BEA (Industry Scheme) Stable Fund (note (c))	5%	131,706,490	114,556,662
BEA (Industry Scheme) Greater China Equity Fund (note (d))	5%	18,534,858	19,740,074
BEA (Industry Scheme) Hong Kong Equity Fund (note (e))	5%	18,701,948	17,978,785
BEA (Industry Scheme) Asian Equity Fund (note (f))	5%	7,690,827	7,253,503
BEA China Tracker Fund (note (g))	5%	4,251,492	4,184,097
BEA Hong Kong Tracker Fund (note (h))	5%	4,496,182	4,384,439
BEA (Industry Scheme) Age 65 Plus Fund (note (i))	5%	26,803,933	19,591,782
BEA (Industry Scheme) Core Accumulation Fund (note (j))	5%	44,303,493	34,367,517

5 Financial risk management (continued)

(a) Market risk (continued)

(iii) Other price risk (continued)

Sensitivity analysis (continued)

Notes:

- (a) **Before 1 October 2018:** 25% (70% Citi WGBI HKD + 30% Citi WGBI HKD-Hedged) + 22.08% MSCI Zhong Hua ex ADRs Index (NR) + 14% MSCI Europe Index (NR) + 14% MSCI North America Index (NR) + 9% MSCI AC Far East ex Japan ex HK Index (NR) + 9% MSCI Japan Index (NR) + 5% HK MPF Prescribed Savings Rate + 1.92% HSBC Holdings

Since 1 October 2018: 25% (75% Citi WGBI HKD + 25% Citi WGBI HKD-Hedged) + 24% FTSE MPF Hong Kong Index + 14% FTSE MPF Europe Index + 14% FTSE MPF North America Index + 9% FTSE MPF AP ex Japan ex Hong Kong + 9% FTSE MPF Japan Index + 5% HK MPF Prescribed Savings Rate

The benchmark composition was changed from 1 October 2018 for better estimation of potential movement of BEA (Industry Scheme) Growth Fund.

- (b) **Before 1 October 2018:** 45% (70% Citi WGBI HKD + 30% Citi WGBI HKD-Hedged) + 15.64% MSCI Zhong Hua ex ADRs Index (NR) + 10% MSCI Europe Index (NR) + 10% MSCI North America Index (NR) + 6.5% MSCI Japan Index (NR) + 6.5% MSCI AC Far East ex Japan ex HK Index (NR) + 5% HK MPF Prescribed Savings Rate + 1.36% HSBC Holdings

Since 1 October 2018: 45% (75% Citi WGBI HKD + 25% Citi WGBI HKD-Hedged) + 17% FTSE MPF Hong Kong Index + 10% FTSE MPF Europe Index + 10% FTSE MPF North America Index + 6.5% FTSE MPF AP ex Japan ex Hong Kong + 6.5% FTSE MPF Japan Index + 5% HK MPF Prescribed Savings Rate

The benchmark composition was changed from 1 October 2018 for better estimation of potential movement of BEA (Industry Scheme) Balanced Fund.

- (c) **Before 1 October 2018:** 65% (70% Citi WGBI HKD + 30% Citi WGBI HKD-Hedged) + 9.2% MSCI Zhong Hua ex ADRs Index (NR) + 6% MSCI Europe Index (NR) + 6% MSCI North America Index (NR) + 5% HK MPF Prescribed Savings Rate + 4% MSCI Japan Index (NR) + 4% MSCI AC Far East ex Japan ex HK Index (NR) + 0.8% HSBC Holdings

Since 1 October 2018: 60% (75% Citi WGBI HKD + 25% Citi WGBI HKD-Hedged) + 10% FTSE MPF HK + 6% FTSE MPF Europe Index + 6% FTSE MPF North America Index + 10% HK MPF Prescribed Savings Rate + 4% FTSE MPF Japan Index + 4% FTSE MPF Asia Pacific ex Japan ex HK

The benchmark composition was changed from 1 October 2018 for better estimation of potential movement of BEA (Industry Scheme) Stable Fund.

5 Financial risk management (continued)

(a) Market risk (continued)

(iii) Other price risk (continued)

Sensitivity analysis (continued)

(d) **Before 1 October 2018:** 100% MSCI Golden Dragon ex ADRs Index (NR)

Since 1 October 2018: FTSE MPF Greater China Index

The benchmark composition was changed from 1 October 2018 for better estimation of potential movement of BEA (Industry Scheme) Greater China Equity Fund.

(e) **Before 1 October 2018:** 92% of MSCI Zhong Hua ex ADRs Index (NR) + 8% HSBC Holdings

Since 1 October 2018: FTSE MPF Hong Kong Index

The benchmark composition was changed from 1 October 2018 for better estimation of potential movement of BEA (Industry Scheme) Hong Kong Equity Fund.

(f) **Before 1 October 2018:** 100% MSCI AC Far East ex Japan ex ADRs Index (NR)

Since 1 October 2018: FTSE MPF Asia Pacific ex JP, AU & NZ Hedged Index

The benchmark composition was changed from 1 October 2018 for better estimation of potential movement of BEA (Industry Scheme) Asian Equity Fund.

(g) 100% Hang Seng China Enterprise Total Return Index

(h) 100% Hang Seng Total Return Index

(i) 20% FTSE MPF All-World Index (HKD unhedged total return) + 77% Citi MPF World Government Bond Index (HKD hedged total return) + 3% cash or money market instruments providing a return at MPF Prescribed Savings Rate (HKD unhedged total return)*

(j) 60% FTSE MPF All-World Index (HKD unhedged total return) + 37% Citi MPF World Government Bond Index (HKD hedged total return) + 3% cash or money market instruments providing a return at MPF Prescribed Savings Rate (HKD unhedged total return)*

* Inclusive of re-investment of dividends/coupons/other incomes

Changes in market index % are revised annually depending on the Investment Manager's current view of market volatility and other relevant factors.

5 Financial risk management (continued)

(b) Credit risk

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

For purchase, payments are made once investments have been received by the Scheme's custodians. The trade will fail if either party fails to meet their obligation.

The Investment Manager monitors the Scheme and its constituent funds' credit position on a regular 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, only BEA (Industry Scheme) MPF Conservative Fund and BEA (Industry Scheme) RMB & HKD Money Market Fund held short-term deposits as investments. The credit quality of these short-term deposits are expressed as a percentage of investments below:

BEA (Industry Scheme) MPF Conservative Fund

Portfolio by rating category of the issuer of short-term deposits

Rating (S&P/Moody's)	2020	2019
AA-/Aa3	9.44%	14.92%
A+/A1	14.62%	8.52%
A/A2	26.80%	41.57%
A-/A3	21.16%	21.84%
BBB+/Baa1	18.73%	13.14%
BBB/Baa2	9.25%	0.00%
Total	100.00%	100.00%

BEA (Industry Scheme) RMB & HKD Money Market Fund

Portfolio by rating category of the issuer of short-term deposits

Rating (S&P/Moody's)	2020	2019
AA-/Aa3	8.02%	9.02%
A+/A1	13.32%	18.26%
A/A2	34.39%	35.91%
A-/A3	19.09%	18.56%
BBB+/Baa1	16.00%	18.25%
BBB/Baa2	9.18%	0.00%
Total	100.00%	100.00%

5 Financial risk management (continued)

(b) Credit risk (continued)

The Scheme and its constituent funds' investments are held by the custodians and the majority of the Scheme and its constituent funds' cash is deposited with The Bank of East Asia, Limited and The Bank of New York Mellon (the "Banks"). Bankruptcy or insolvency of the custodians and the Banks may cause to Scheme and its constituent funds' execution of their rights with respect to the assets held by the custodians and the Banks to be delayed or limited.

The Investment 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 both 31 March 2020 and 2019.

Amounts arising from ECLs

Impairment on contributions receivables, interest receivables, other receivables, bank balances, amounts receivable on sale of investments, amounts receivable on subscriptions, interest, dividend and other receivables and prepayments has been measured on a 12-month expected loss basis and reflected the short maturities of the exposures. The Scheme and its constituent funds consider that these exposures have low credit risk based on the external credit ratings of the counterparties.

The Scheme and its constituent funds monitor changes in credit risk on these exposures by tracking published external credit ratings of the counterparties and perform on-going review of the counterparties. The Investment Manager considers the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. There is no impairment allowance recognized on contributions receivables, interest receivables, other receivables, bank balances, amounts receivable on sale of investments, amounts receivable on subscriptions, interest, dividend and other receivables and prepayments.

(c) Liquidity risk

Liquidity risk is the risk that the Scheme and its constituent funds will encounter difficulty in meeting obligations associated with financial liabilities.

The Scheme and its constituent funds' policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and readily realisable investments to meet benefit payments and other liquidity requirements in the short and longer term.

The Scheme and its constituent funds invest the majority of assets in constituent funds, approved pooled investment funds and/or approved index-tracking collective investment schemes that could be readily converted into cash to meet its liquidity requirement.

As at 31 March 2020 and 2019, all the financial liabilities of the Scheme and its constituent funds are repayable on demand or due within three months.

6 Investments

(a) The Scheme

	2020 HK\$	2019 HK\$
BEA (Industry Scheme) MPF Conservative Fund	3,026,152,953	2,879,570,799
BEA (Industry Scheme) Growth Fund	2,462,940,932	2,681,663,364
BEA (Industry Scheme) Balanced Fund	1,559,468,242	1,656,455,695
BEA (Industry Scheme) Stable Fund	2,548,753,047	2,578,777,616
BEA (Industry Scheme) Greater China Equity Fund	396,344,067	391,041,435
BEA (Industry Scheme) Hong Kong Equity Fund	373,926,869	384,962,004
BEA (Industry Scheme) Asian Equity Fund	155,892,536	157,862,879
BEA China Tracker Fund	82,785,824	83,730,640
BEA Hong Kong Tracker Fund	89,777,319	87,476,335
BEA (Industry Scheme) RMB & HKD Money Market Fund	116,147,721	102,567,655
BEA (Industry Scheme) Age 65 Plus Fund	434,226,683	390,689,005
BEA (Industry Scheme) Core Accumulation Fund	883,547,439	706,760,162
	<u>12,129,963,632</u>	<u>12,101,557,589</u>
Investments at fair value		
	<u>10,997,062,088</u>	<u>10,297,496,435</u>
Investments at cost		

(b) Constituent funds

BEA (Industry Scheme) MPF Conservative Fund

	2020 HK\$	2019 HK\$
Short-term deposits	<u>2,841,128,263</u>	<u>2,739,967,284</u>

BEA (Industry Scheme) Growth Fund

	2020 HK\$	2019 HK\$
Approved Pooled Investment Funds	1,501,280,914	1,453,365,789
Approved Index-Tracking Collective Investment Schemes	<u>836,339,016</u>	<u>989,143,549</u>
Investments	<u>2,337,619,930</u>	<u>2,442,509,338</u>

6 Investments (continued)

(b) Constituent funds (continued)

BEA (Industry Scheme) Balanced Fund

	2020 HK\$	2019 HK\$
Approved Pooled Investment Funds	1,122,771,815	1,109,414,981
Approved Index-Tracking Collective Investment Schemes	<u>384,987,721</u>	<u>427,562,526</u>
Investments	<u>1,507,759,536</u>	<u>1,536,977,507</u>

BEA (Industry Scheme) Stable Fund

	2020 HK\$	2019 HK\$
Approved Pooled Investment Funds	2,027,276,791	2,014,345,700
Approved Index-Tracking Collective Investment Schemes	<u>401,775,492</u>	<u>376,801,969</u>
Investments	<u>2,429,052,283</u>	<u>2,391,147,669</u>

BEA (Industry Scheme) Greater China Equity Fund

	2020 HK\$	2019 HK\$
Approved Pooled Investment Funds	382,790,396	375,592,198
Approved Index-Tracking Collective Investment Schemes	<u>10,736,923</u>	<u>12,661,508</u>
Investments	<u>393,527,319</u>	<u>388,253,706</u>

BEA (Industry Scheme) Hong Kong Equity Fund

	2020 HK\$	2019 HK\$
Approved Pooled Investment Fund	329,918,487	305,593,793
Approved Index-Tracking Collective Investment Scheme	<u>41,522,850</u>	<u>75,190,500</u>
Investments	<u>371,441,337</u>	<u>380,784,293</u>

6 Investments (continued)

(b) Constituent funds (continued)

BEA (Industry Scheme) Asian Equity Fund

	2020 HK\$	2019 HK\$
Approved Pooled Investment Funds	150,026,817	154,090,197
Approved Index-Tracking Collective Investment Scheme	4,878,349	2,866,557
Investments	<u>154,905,166</u>	<u>156,956,754</u>

BEA China Tracker Fund

	2020 HK\$	2019 HK\$
Approved Index-Tracking Collective Investment Scheme	<u>82,813,880</u>	<u>83,720,000</u>

BEA Hong Kong Tracker Fund

	2020 HK\$	2019 HK\$
Approved Index-Tracking Collective Investment Scheme	<u>89,819,100</u>	<u>87,479,700</u>

BEA (Industry Scheme) RMB & HKD Money Market Fund

	2020 HK\$	2019 HK\$
Short-term deposits	<u>106,332,493</u>	<u>95,236,352</u>

BEA (Industry Scheme) Age 65 Plus Fund

	2020 HK\$	2019 HK\$
Approved Pooled Investment Fund	<u>434,559,924</u>	<u>390,989,427</u>

6 Investments (continued)

(b) Constituent funds (continued)

BEA (Industry Scheme) Core Accumulation Fund

	2020 HK\$	2019 HK\$
Approved Pooled Investment Fund	<u>884,097,494</u>	<u>706,946,164</u>
Total investments at fair value	<u>11,633,056,725</u>	<u>11,400,968,194</u>
Total investments at cost	<u>11,318,235,065</u>	<u>10,457,417,288</u>

7 Bank balances

As at 31 March 2020, the Scheme placed bank deposits amounted to HK\$20,792,397 (2019: HK\$25,175,582).

Reconciliation of liability arising from financing activities

The table below details changes in the Scheme's liability from financing activities, including both cash and non-cash changes. Liability arising from financing activities are liability for which cash flows were, or future cash flows will be, classified in the cash flow statement as cash flows from financing activities.

	2020 HK\$	2019 HK\$
As at beginning of the year	11,947,009	13,962,669
Benefits	496,398,372	398,635,060
Transfers out	411,510,092	410,597,044
Long service payments and severance payments	41,607,732	32,502,842
Benefits paid, transfer outs, long service payments and severance payments paid	<u>(950,308,862)</u>	<u>(843,750,606)</u>
As at end of the year	<u>11,154,343</u>	<u>11,947,009</u>

8 Net (loss)/gain on constituent funds/investments

(a) The Scheme

	2020 HK\$	2019 HK\$
Change in unrealised loss in value of constituent funds	(671,159,610)	(259,299,222)
Realised gain on sale of constituent funds	168,698,044	146,803,390
Net loss on constituent funds	<u>(502,461,566)</u>	<u>(112,495,832)</u>

(b) Constituent funds

	<i>BEA (Industry Scheme)</i> <i>MPF Conservative Fund</i>		<i>BEA (Industry Scheme)</i> <i>Growth Fund</i>		<i>BEA (Industry Scheme)</i> <i>Balanced Fund</i>	
	2020	2019	2020	2019	2020	2019
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Change in unrealised loss in value of investments	-	-	(286,517,932)	(213,838,066)	(110,871,340)	(84,014,730)
Realised gain on sale of investments	-	-	50,376,979	150,697,488	28,945,662	62,066,041
Net loss on investments	<u>-</u>	<u>-</u>	<u>(236,140,953)</u>	<u>(63,140,578)</u>	<u>(81,925,678)</u>	<u>(21,948,689)</u>

	<i>BEA (Industry Scheme)</i> <i>Stable Fund</i>		<i>BEA (Industry Scheme)</i> <i>Greater China Equity Fund</i>		<i>BEA (Industry Scheme)</i> <i>Hong Kong Equity Fund</i>	
	2020	2019	2020	2019	2020	2019
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Change in unrealised loss in value of investments	(73,411,724)	(65,352,904)	(18,904,894)	(19,029,351)	(54,277,768)	(13,653,679)
Realised gain on sale of investments	36,890,935	52,849,020	-	-	2,965,249	1,550,192
Net loss on investments	<u>(36,520,789)</u>	<u>(12,503,884)</u>	<u>(18,904,894)</u>	<u>(19,029,351)</u>	<u>(51,312,519)</u>	<u>(12,103,487)</u>

	<i>BEA (Industry Scheme)</i> <i>Asian Equity Fund</i>		<i>BEA China Tracker Fund</i>		<i>BEA Hong Kong Tracker Fund</i>	
	2020	2019	2020	2019	2020	2019
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Change in unrealised loss in value of investments	(20,884,953)	(11,612,037)	(14,524,434)	(3,586,721)	(19,518,331)	(2,420,374)
Realised (loss)/gain on sale of investments	-	(965,968)	45,433	255,041	638,931	624,524
Net loss on investments	<u>(20,884,953)</u>	<u>(12,578,005)</u>	<u>(14,479,001)</u>	<u>(3,331,680)</u>	<u>(18,879,400)</u>	<u>(1,795,850)</u>

	<i>BEA (Industry Scheme)</i> <i>RMB & HKD Money Market Fund</i>		<i>BEA (Industry Scheme)</i> <i>Age 65 Plus Fund</i>		<i>BEA (Industry Scheme)</i> <i>Core Accumulation Fund</i>	
	2020	2019	2020	2019	2020	2019
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Change in unrealised gain/(loss) in value of investments	-	-	11,661,523	12,723,863	(39,984,479)	20,640,602
Realised gain on sale of investments	-	-	2,319,444	374,958	690,080	193,933
Net gain/(loss) on investments	<u>-</u>	<u>-</u>	<u>13,980,967</u>	<u>13,098,821</u>	<u>(39,294,399)</u>	<u>20,834,535</u>

9 Transactions with related parties

The following is a summary of transactions with related parties during the year. All transactions were entered into during the ordinary course of business and under normal commercial terms.

(a) Sponsor's fees

Sponsor's fees as described in the financial statements correspond to management fees of constituent funds as stated in the MPF Scheme Brochure of the Scheme.

The Sponsor, The Bank of East Asia, Limited, is entitled to receive a Sponsor's fees, which are inclusive of the fees payable to the Trustee and the Investment Manager and the Sponsor will pay the fees of the Trustee and Investment Manager out of its own fee. The Sponsor may share any fees it receives with distributors or agents procuring subscriptions to the Scheme. The fees payable to the Trustee are inclusive of administration and custody fees payable to the Trustee in its capacity as the Administrator and Custodian (but, exclusive of fees payable to sub-custodians which will be paid from the assets of the Scheme). The fee is calculated and accrued on each valuation day and payable monthly in arrears.

The breakdown of Sponsor's fees payable out of the constituent funds is as follows:

Name of Constituent Fund	Sponsor (3) (p.a. of NAV)	Trustee/ Administrator/ Custodian (3) (p.a. of NAV)	Investment Manager (3) (p.a. of NAV)	Total (p.a. of NAV)
BEA (Industry Scheme) MPF Conservative Fund ⁽¹⁾	0.03%	0.45%	0.31%	0.79%
BEA (Industry Scheme) Growth Fund	0.44%	0.45%	0.31%	1.20%
BEA (Industry Scheme) Balanced Fund	0.44%	0.45%	0.31%	1.20%
BEA (Industry Scheme) Stable Fund	0.44%	0.45%	0.31%	1.20%
BEA (Industry Scheme) Greater China Equity Fund	0.44%	0.45%	0.31%	1.20%
BEA (Industry Scheme) Hong Kong Equity Fund	0.44%	0.45%	0.31%	1.20%
BEA (Industry Scheme) Asian Equity Fund	0.44%	0.45%	0.31%	1.20%
BEA China Tracker Fund	0.03%	0.26%	0.31%	0.60%
BEA Hong Kong Tracker Fund	0.03%	0.26%	0.31%	0.60%
BEA (Industry Scheme) RMB & HKD Money Market Fund	0.03%	0.45%	0.31%	0.79%
BEA (Industry Scheme) Age 65 Plus Fund ⁽²⁾	0.295%	0.295%	0.16%	0.75%
BEA (Industry Scheme) Core Accumulation Fund ⁽²⁾	0.295%	0.295%	0.16%	0.75%

⁽¹⁾ For BEA (Industry Scheme) MPF Conservative Fund, the Sponsor's fee is only deducted when the net investment return exceeds the prescribed savings rate prescribed by the Mandatory Provident Fund Schemes Authority. The maximum amount deducted must not exceed the excess between the net investment return and the prescribed savings rate subject to a maximum fee equal to 0.79% per annum of the net asset value of the constituent fund.

⁽²⁾ For BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund, Sponsor's fees payable can only be charged as a percentage of the net asset value of the fund. These Sponsor's fees are also subject to a statutory daily limit of 0.75% per annum of the net asset value of the relevant constituent fund which applies across both the constituent fund and the underlying funds.

⁽³⁾ The fees payable to the Trustee are for its trustee and administrative functions, while the fees payable to the Investment Manager are for its investment management functions. As for the Sponsor, its fees are for its services related to product support, dissemination of MPF marketing materials and product development activities.

9 Transactions with related parties (continued)

(a) Sponsor's fees (continued)

The Sponsor's fees charged for the year are disclosed in the statement of comprehensive income. As at 31 March, the Sponsor's fees payable were as follows:

	2020 HK\$	2019 HK\$
BEA (Industry Scheme) Growth Fund	<u>2,614,208</u>	<u>2,714,923</u>
BEA (Industry Scheme) Balanced Fund	<u>1,657,892</u>	<u>1,676,333</u>
BEA (Industry Scheme) Stable Fund	<u>2,704,685</u>	<u>2,611,959</u>
BEA (Industry Scheme) Greater China Equity Fund	<u>418,127</u>	<u>393,604</u>
BEA (Industry Scheme) Hong Kong Equity Fund	<u>391,049</u>	<u>388,103</u>
BEA (Industry Scheme) Asian Equity Fund	<u>167,525</u>	<u>158,243</u>
BEA China Tracker Fund	<u>43,174</u>	<u>42,874</u>
BEA Hong Kong Tracker Fund	<u>46,939</u>	<u>44,203</u>
BEA (Industry Scheme) RMB & HKD Money Market Fund	<u>80,083</u>	<u>68,206</u>
BEA (Industry Scheme) Age 65 Plus Fund	<u>285,250</u>	<u>245,627</u>
BEA (Industry Scheme) Core Accumulation Fund	<u>577,224</u>	<u>442,167</u>

9 Transactions with related parties (continued)

(b) Investment management fees

No separate investment management fees are charged as they are paid out of the Sponsor's fees.

(c) Trustee/Administrator/ Custodian fees

No separate trustee/ administrator/ custodian fees are charged as they are paid out of the Sponsor's fees.

(d) Bank balances

As at 31 March 2020, the Scheme and its constituent funds placed bank deposits amounted to HK\$20,792,397 (2019: HK\$25,175,582) and HK\$355,574,781 (2019: HK\$426,240,729) respectively with The Bank of East Asia, Limited, the holding company of the Trustee. The interest income arising from these accounts during the year amounted to HK\$2,233,933 (2019: HK\$2,215,637) and HK\$285,424 (2019: HK\$201,178) respectively. Bank charges incurred are not disclosed as the Trustee considers the amounts immaterial.

(e) Investments

As at year end, the following constituent funds of the Scheme invested in approved-pooled investment funds, managed by the Investment Manager and entrusted by the Trustee:

	<i>BEA (Industry Scheme)</i>	
	<i>Growth Fund</i>	
	2020	2019
	HK\$	HK\$
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	87,760,636	84,101,992
BEA Union Investment Asia Strategic Growth Fund - Class A	264,657,135	256,885,508
BEA Union Investment Global Bond Fund - Class A	502,019,896	443,526,552
BEA Union Investment Global Equity Fund - Class A	74,233,982	83,144,793
BEA Union Investment Greater China Growth Fund - Class A	39,609,854	41,062,439
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	10,608,275	9,988,362
BEA Union Investment Hong Kong Growth Fund - Class A	389,855,188	346,012,919
BEA Union Investment Money Market Fund - Class A	45,955,555	75,242,735

9 Transactions with related parties (continued)

(e) Investments (continued)

	<i>BEA (Industry Scheme) Balanced Fund</i>		<i>BEA (Industry Scheme) Stable Fund</i>	
	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	98,968,293	94,842,414	159,155,816	152,520,785
BEA Union Investment Asia Strategic Growth Fund - Class A	127,337,361	118,707,819	136,044,811	115,297,302
BEA Union Investment Global Bond Fund - Class A	603,858,038	570,955,334	1,374,527,176	1,283,544,634
BEA Union Investment Global Equity Fund - Class A	31,364,047	35,128,888	31,334,945	35,096,292
BEA Union Investment Greater China Growth Fund - Class A	18,310,220	18,981,698	17,929,393	18,586,905
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	12,936,175	12,180,227	13,139,615	12,371,779
BEA Union Investment Hong Kong Growth Fund - Class A	162,829,148	160,294,942	136,745,991	189,621,648
BEA Union Investment Money Market Fund - Class A	28,279,498	47,118,775	135,124,132	173,792,923
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<i>BEA (Industry Scheme) Greater China Equity Fund</i>		<i>BEA (Industry Scheme) Hong Kong Equity Fund</i>	
	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$
BEA Union Investment Greater China Growth Fund - Class A	351,262,010	342,617,473	-	-
BEA Union Investment Hong Kong Growth Fund - Class A	31,528,386	32,974,725	329,918,487	305,593,793
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<i>BEA (Industry Scheme) Asian Equity Fund</i>		<i>BEA (Industry Scheme) Age 65 Plus Fund</i>	
	2020 HK\$	2019 HK\$	2020 HK\$	2019 HK\$
BEA Union Investment Asia Strategic Growth Fund - Class A	138,175,180	138,974,415	-	-
BEA Union Investment Age 65 Plus Fund - Class I	-	-	434,559,924	390,989,427
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

9 Transactions with related parties (continued)

(e) Investments (continued)

	<i>BEA (Industry Scheme) Core Accumulation Fund</i>	
	2020	2019
	HK\$	HK\$
BEA Union Investment Core Accumulation Fund - Class I	884,097,494	706,946,164

As at year end, BEA (Industry Scheme) MPF Conservative Fund held short-term deposits with The Bank of East Asia, Limited, the ultimate controlling party of the Trustee, as follows:

	2020		2019	
	<i>Nominal value</i>	<i>Fair value</i>	<i>Nominal value</i>	<i>Fair value</i>
	HK\$	HK\$	HK\$	HK\$
Bank of East Asia, Limited F/D 2.32% 22 April 2020	10,726,085	10,726,085	-	-
Bank of East Asia, Limited F/D 1.65% 10 June 2020	54,343,310	54,343,310	-	-
Bank of East Asia, Limited F/D 1.53% 15 May 2019	-	-	53,199,852	53,199,852
Bank of East Asia, Limited F/D 1.66% 12 June 2019	-	-	10,527,680	10,527,680
Bank of East Asia, Limited F/D 1.75% 19 June 2019	-	-	28,523,245	28,523,245
	65,069,395	65,069,395	92,250,777	92,250,777

Interest income derived from short-term deposits during the year ended 31 March 2020 amounted to HK\$1,511,590 (2019: HK\$1,967,827).

9 Transactions with related parties (continued)

(f) Brokerage commission

No brokerage commission was paid to brokers who are associates or delegates of the Trustee or Investment Manager during the years ended 31 March 2020 and 2019.

10 Transactions with associates

All the transactions with associates as defined in the Hong Kong Mandatory Provident Fund Schemes Ordinance and the “Guidelines on Annual Statements of Registered Schemes” Annex C section I(D)(2) issued by the MPFA have been included in transaction with related parties as set out in note 9.

11 Contributions received and receivable

Mandatory contributions for both the employers and members are equal to 5% of the members’ relevant income up to HK\$30,000 per month but in respect of members earning less than HK\$7,100 per month, the members’ mandatory contribution is nil.

Self-employed persons must contribute 5% of their relevant income subject to a maximum contribution of HK\$1,500 per month to the Scheme unless their relevant income is less than HK\$7,100 per month.

Any contributions made to the Scheme by the employers or members in excess of their mandatory contributions are voluntary contributions (including tax deductible voluntary contributions effective from 1 April 2019). The maximum tax deductible limit per year of assessment for tax deductible voluntary contributions in the year of assessment 2019/2020 is HK\$60,000.

The Employee Choice Arrangement (the “ECA”) has been launched by the MPFA with effect from 1 November 2012. The ECA allows members to opt to transfer the member’s portion of the mandatory contributions and investment returns (i.e. the accrued benefits) in their contribution accounts to an MPF trustee and scheme of their own choice once a year. Alternatively, members do not have to make any change. They can retain the accrued benefits in the original MPF scheme selected by their employers.

12 Benefits paid and payable

Members will become entitled to benefits in respect of mandatory contributions and tax deductible voluntary contributions (effective from 1 April 2019) to the Scheme in the circumstances set out in the MPF Ordinance. Currently, these circumstances include where the members (i) reach the age of 65; (ii) permanently cease employment or self-employment, after reaching the age of 60 or cease employment or self-employment as a result of total incapacity; (iii) have a terminal illness; (iv) permanently depart from Hong Kong; (v) die or (vi) have the right to claim a small balance pursuant to the MPF Ordinance.

Members will become entitled to benefits in respect of contractual voluntary contributions to the Scheme in the circumstances set out in the Trust Deed and the relevant participation agreement.

13 Bank loans, overdrafts and other borrowings

The Scheme and its constituent funds had no bank loans, overdrafts and other borrowings as at 31 March 2020 and 2019.

14 Taxation

The Scheme is registered under the MPF Ordinance and is therefore a recognised scheme for the purposes of Hong Kong Profits Tax. The policy of the Hong Kong Inland Revenue Department (“IRD”), as set out in IRD Practice Note No. 23 is that “recognised retirement schemes and their trustees are not considered to be subject to profits tax on their investment income”. Accordingly, no provision for Hong Kong Profits Tax has been made in the Scheme’s financial statements.

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

15 Soft commission arrangements

During the year ended 31 March 2020, the Investment Manager and its delegates did not enter into any soft commission arrangements with brokers relating to dealings in the assets of the Scheme and its constituent funds (2019: HK\$Nil).

16 Security lending arrangements

During the year ended 31 March 2020, the Scheme and its constituent funds did not enter into any security lending arrangements (2019: HK\$Nil).

17 Negotiability of assets

As at 31 March 2020, there were no statutory or contractual requirements restricting the negotiability of the assets of the Scheme and its constituent funds (2019: HK\$Nil).

18 Commitments

As at 31 March 2020, the Scheme and its constituent funds had no commitments (2019: HK\$Nil).

19 Contingent liabilities and capital commitment

As at 31 March 2020, there were no contingent liabilities or capital commitments outstanding for the Scheme and its constituent funds (2019: HK\$Nil).

20 Marketing expenses

During the year ended 31 March 2020, there have been no advertising expenses, promotional expenses or commissions or brokerage fees paid and payable to the MPF intermediaries deducted from the Scheme and its constituent funds (2019: HK\$Nil).

21 Segment information

The CODM makes the strategic resource allocation on behalf of the Scheme and determines the operating segments based on the internal reporting used to make strategic decisions. The CODM's asset allocation decisions for the Scheme are based on the investment objective, investment strategy and the performance of each constituent fund. Accordingly the CODM considers that the Scheme has 12 operating segments. The investment objectives and the investment portfolios of the constituent funds are presented in the investment report. Other segmental information of the constituent funds are presented in these financial statements.

The internal reporting provided to the CODM is the same as that disclosed in these financial statements.

22 Involvement with unconsolidated structured entities

The Scheme has concluded that approved pooled investment funds and approved index-tracking collective investment schemes in which its constituent funds invest but are not consolidated by the constituent 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 constituent funds do not consolidate but in which they hold an interest.

<i>Type of structured entity</i>	<i>Nature and purpose</i>	<i>Interest held by the constituent funds</i>
Investment funds	To invest on behalf of third party investors These vehicles are financed through the issues of units to investors	Investments in units issued by the investment funds

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

22 Involvement with unconsolidated structured entities (continued)

As at 31 March 2020

	<i>Number of investee funds</i>	<i>Total net assets HK\$ (in millions)</i>	<i>Carrying amount included in "Investments" HK\$ (in millions)</i>
BEA (Industry Scheme) Growth Fund			
- Approved Pooled Investment Funds	10	18,774	1,501
- Approved Index-Tracking Collective Investment Schemes	7	2,021,083	836
BEA (Industry Scheme) Balanced Fund			
- Approved Pooled Investment Funds	10	18,774	1,123
- Approved Index-Tracking Collective Investment Schemes	7	2,021,083	385
BEA (Industry Scheme) Stable Fund			
- Approved Pooled Investment Funds	10	18,774	2,027
- Approved Index-Tracking Collective Investment Schemes	7	2,021,083	402
BEA (Industry Scheme) Greater China Equity Fund			
- Approved Pooled Investment Funds	2	4,563	383
- Approved Index-Tracking Collective Investment Schemes	2	102,551	11
BEA (Industry Scheme) Hong Kong Equity Fund			
- Approved Pooled Investment Fund	1	2,841	330
- Approved Index-Tracking Collective Investment Scheme	1	79,675	42

22 Involvement with unconsolidated structured entities (continued)

As at 31 March 2020 (continued)

	<i>Number of investee funds</i>	<i>Total net assets HK\$ (in millions)</i>	<i>Carrying amount included in "Investments" HK\$ (in millions)</i>
BEA (Industry Scheme) Asian Equity Fund			
- Approved Pooled Investment Funds	2	2,129	150
- Approved Index-Tracking Collective Investment Scheme	1	14,547	5
BEA China Tracker Fund			
- Approved Index-Tracking Collective Investment Scheme	1	21,500	83
BEA Hong Kong Tracker Fund			
- Approved Index-Tracking Collective Investment Scheme	1	79,675	90
BEA (Industry Scheme) Age 65 Plus Fund			
- Approved Pooled Investment Fund	1	537	435
BEA (Industry Scheme) Core Accumulation Fund			
- Approved Pooled Investment Fund	1	1,126	884

22 Involvement with unconsolidated structured entities (continued)

As at 31 March 2019

	<i>Number of investee funds</i>	<i>Total net assets HK\$ (in millions)</i>	<i>Carrying amount included in "Investments" HK\$ (in millions)</i>
BEA (Industry Scheme) Growth Fund			
- Approved Pooled Investment Funds	10	18,501	1,453
- Approved Index-Tracking Collective Investment Schemes	6	2,309,661	989
BEA (Industry Scheme) Balanced Fund			
- Approved Pooled Investment Funds	10	18,501	1,109
- Approved Index-Tracking Collective Investment Schemes	6	2,309,661	428
BEA (Industry Scheme) Stable Fund			
- Approved Pooled Investment Funds	10	18,501	2,014
- Approved Index-Tracking Collective Investment Schemes	6	2,309,661	377
BEA (Industry Scheme) Greater China Equity Fund			
- Approved Pooled Investment Funds	2	4,701	376
- Approved Index-Tracking Collective Investment Schemes	2	116,868	13
BEA (Industry Scheme) Hong Kong Equity Fund			
- Approved Pooled Investment Fund	1	2,864	306
- Approved Index-Tracking Collective Investment Scheme	1	90,525	75

22 Involvement with unconsolidated structured entities (continued)

As at 31 March 2019 (continued)

	<i>Number of investee funds</i>	<i>Total net assets HK\$ (in millions)</i>	<i>Carrying amount included in "Investments" HK\$ (in millions)</i>
BEA (Industry Scheme) Asian Equity Fund			
- Approved Pooled Investment Funds	2	2,286	154
- Approved Index-Tracking Collective Investment Scheme	1	19,791	3
BEA China Tracker Fund			
- Approved Index-Tracking Collective Investment Scheme	1	27,293	84
BEA Hong Kong Tracker Fund			
- Approved Index-Tracking Collective Investment Scheme	1	90,525	87
BEA (Industry Scheme) Age 65 Plus Fund			
- Approved Pooled Investment Fund	1	455	391
BEA (Industry Scheme) Core Accumulation Fund			
- Approved Pooled Investment Fund	1	860	707

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

The constituent funds can redeem units in their investment funds on a daily basis.

23 Payments charged to default investments strategy constituent funds or scheme members who invest in the constituent funds

BEA (Industry Scheme) Age 65 Plus Fund and BEA (Industry Scheme) Core Accumulation Fund are designated as default investment strategy (“DIS”) constituent funds with effect from 1 April 2017. Payments for services, out-of-pocket expenses and other payments charged to the DIS constituent funds are disclosed below. Payments for services and out-of-pocket expenses are those defined in the MPF Ordinance.

During the year ended 31 March 2020

	<i>BEA (Industry Scheme) Age 65 Plus Fund</i> HK\$	<i>BEA (Industry Scheme) Core Accumulation Fund</i> HK\$
(a) Payments for services		
Sponsor’s fees	3,156,808	6,374,350
Total payments for services	3,156,808	6,374,350
(b) Out-of-pocket expenses		
Professional indemnity insurance	11,585	21,130
Auditor’s remuneration	53,671	53,672
Legal and other professional fees	1,136	2,328
Printing and postage expenses	173,913	329,642
Fund price publication expenses	14,594	14,594
Miscellaneous expenses	10,487	10,487
Total out-of-pocket expenses	265,386	431,853
(c) Payments other than (a) and (b) above	-	-
Total payments	3,422,194	6,806,203
Out-of-pocket expenses expressed as a percentage of net asset value of the DIS constituent funds	0.063%	0.050%

The net asset value used for calculating the percentage is the average of the net asset value of the DIS constituent funds as at the last dealing day of each month during the year ended 31 March 2020.

23 Payments charged to default investments strategy constituent funds or scheme members who invest in the constituent funds (continued)

During the year ended 31 March 2019

	<i>BEA (Industry Scheme) Age 65 Plus Fund HK\$</i>	<i>BEA (Industry Scheme) Core Accumulation Fund HK\$</i>
(a) Payments for services		
Sponsor's fees	2,678,654	4,359,578
Total payments for services	2,678,654	4,359,578
(b) Out-of-pocket expenses		
Professional indemnity insurance	10,184	14,710
Auditor's remuneration	54,509	54,510
Printing and postage expenses	99,342	155,149
Fund price publication expenses	14,594	14,594
Miscellaneous expenses	5,487	5,487
Total out-of-pocket expenses	184,116	244,450
(c) Payments other than (a) and (b) above	-	-
Total payments	2,862,770	4,604,028
Out-of-pocket expenses expressed as a percentage of net asset value of the DIS constituent funds	0.051%	0.041%

The net asset value used for calculating the percentage is the average of the net asset value of the DIS constituent funds as at the last dealing day of each month during the year ended 31 March 2019.

24 Non-adjusting event after the reporting period

In early 2020, the global commercial activities were impacted by the emergence and rapid spread of the novel Coronavirus (“COVID-19”), which was declared a pandemic by the World Health Organization (“WHO”) on 11 March 2020. Disruptions caused by the COVID-19 pandemic are impacting the global economy, which has resulted in significant volatility in financial markets worldwide. The effect of COVID-19 remains an emerging and rapidly evolving issue, leading to a high degree of volatility and uncertainty. The Trustee has made an assessment of the impact of COVID-19 and was not aware of any material financial impact to the Financial Statements as at 31 March 2020 as a result of this subsequent event. The Trustee will continue to remain alert to the development of the COVID-19 outbreak and closely monitor its impact on the service providers of the Scheme based on existing business continuity measures.

Other than those disclosed above, no subsequent events have occurred that would require adjustment or disclosure and have a material effect on the Financial Statements as at 31 March 2020.

25 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 March 2020

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 March 2020 and which have not been adopted in these financial statements. These include the following which may be relevant to the Scheme and its constituent funds.

*Effective for
accounting periods
beginning on or after*

Amendments to HKAS 1 and HKAS 8, *Definition of material*

1 January 2020

The Trustee is in the process of making an assessment of what the impact of these amendments, new standard and interpretations is expected to be in the period of initial application. So far the Trustee has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.