



BEA (MPF) Value Scheme

31 March 2021

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Scheme report

The Trustee has pleasure in presenting the annual reports and the financial statements of the BEA (MPF) Value Scheme (the "Scheme") for the year ended 31 March 2021.

The Scheme

The Scheme is a master trust 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 17 August 2012 between The Bank of East Asia, Limited as sponsor and Bank of East Asia (Trustees) Limited as trustee (the "Trustee"). There have been no amendments to the trust deed other than the variations made on 1 November 2012, 18 December 2015, 12 December 2016, 10 January 2018, 18 April 2019 and 9 April 2020 ("as amended"). The Scheme is registered under section 21 of the MPF Ordinance.

Financial development

The Scheme commenced operations on 25 October 2012. The total contributions received and receivable including contribution surcharge and transfers in, and benefits paid and payable including transfers out and long service payments and severance payments during the year were HK\$33.0 million (2020: HK\$24.5 million) and HK\$15.5 million (2020: HK\$10.1 million) respectively. The net asset value as at 31 March 2021 was HK\$145.7 million (2020: HK\$100.6 million).

Changes to the governing rules

The MPF Scheme Brochure was amended during the year to reflect the changes associated with:

- Enhancement of disclosure of risk factors associated with certain Constituent Funds by adding either both or one of the following two new risk factor(s), namely, "risk associated with small-capitalisation/mid-capitalisation companies" and "restricted markets risk" effective on 15 March, 2021.
- Amendment to the BEA Greater China Equity Fund's permitted investment, through the Underlying APIF, in China A-shares and B-shares listed on the Shanghai or Shenzhen stock exchanges to allow less than 30% of assets to be invested directly in China A-shares and/or China B-shares effective on 15 April, 2021.

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 2021 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

Legal Adviser

Baker & McKenzie

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

Scheme report (continued)

Particulars of the service providers (continued)

Auditor

KPMG

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

Directors of the Trustee, Custodian and Administrator

Adrian David Li Man Kiu
Tong Hon Shing
Joseph Pang Yuk Wing
Henry Chan Cho Yip
Wan Chi Tak
Cheung Man Kok
Winnie Cheung Chi Woon (appointed on 1 October 2020)

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

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

Scheme report (continued)

Particulars of the service providers (continued)

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)
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
Delman Lee
William Junior Guilherme DOO
David Mong Tak Yeung (appointed on 15 January 2021)
Francisco Javier Serrado Trepas (appointed on 15 January 2021)

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) at 2211 1777 or visit the website at <http://www.hkbea.com> for queries or further information.

Investment report for the year ended 31 March 2021

Investment analysis

United States

- During April 2020 – March 2021, market uncertainties were seen before the presidential election, and following Biden's victory, market generally expected his policies would tend to be softer than Trump's and the U.S.-China tension would likely ease as a result. Market risk appetite lifted. The U.S. equities hit a record high on the last trading day of 2020.
- The massive rollout of vaccines in the beginning of 2021 speeded up the economic recovery. Biden passed a number of sizable stimulus packages which further supported the performance of the U.S. stock market.

Europe

- During April 2020 – March 2021, the EU summit was a milestone in the battle to tackle the economic fallout from COVID-19. It showed that the EU was capable of coordinating its fiscal policy, and this should benefit European assets. Subsequently, European Central Bank announced the pandemic emergency purchase programme amounting Euro750 million to support the economies heavily hit by COVID-19.
- In the first half of 2021, the progress of the massive rollout of vaccines was promising. Although cases of the variant were seen in individual regions, it was within control. European Central Bank supported the economic recovery with the loose monetary policies, which benefited the market sentiment.

China

- During April 2020 – March 2021, China was leading the economic recovery in the globe where economic activities revived in the 2nd quarter of the year. Dual circulation policy was introduced by providing policy support for sectors like consumptions and technology development, which helped speeding up the recovery. Hong Kong stock market was benefited and A-shares market hit a record high.
- In the first quarter of 2021, Chinese government implemented anti-trust investigations in tech companies and severe penalties were made to a tech giant which affected the performance of the sector. Tightening measures might be imposed by the Chinese government to cope with the potentially overheating economy. Default issues were found in the onshore bond market where capital was reallocated to other countries being underperformed last year. Consolidation was seen in the A-shares market. On the back of sustaining economic recovery, rotations between new and old economies will continue. Our investment team will closely monitor the market changes and seize the opportunities derived by the rotations.

Investment report for the year ended 31 March 2021 (continued)

Investment analysis (continued)

Japan

- During April 2020 – March 2021, Yoshihide Suga won the Liberal Democratic Party's leadership race and became the prime minister of Japan, investor sentiment was largely improved. Investors expected the current economic policies would be maintained, Nikkei Stock Average Index trended up in the end of the year.
- In the first quarter of 2021, pandemic is yet to be contained and the Olympic Games was going to be held in July. Corporate earnings regained its growth momentum with Yen went down on strengthening USD which further supported exports.

Asia

- During April 2020 – December 2020, markets continued to look towards the reopening of economies, more policy stimulus coming in near term and especially the strong balance sheet and great business prospect of Australia, Asian equities surged in the end of the year.
- In the first quarter of 2021, normalization of economies was being expected; but the vaccination progress was relatively slow and lockdowns were seen in individual cities which dampened investor sentiment. Taiwan market outperformed with industrials and IT being the key drivers

Global Bond

- During April 2020 – December 2020, U.S. Fed announced to keep rate low until 2023 and allowed inflation to overshoot 2%. It was expected the spread would stay stable on the back of fiscal stimulus and economic rebound from pandemic. Asian credit continued to outperform particularly Chinese property and Indonesia credits given their high pick up.
- In the first quarter of 2021, Asian credit spread widened on the back of market normalization, the rise of inflation expectation and U.S. treasury yield. However, Fed didn't give a word on the schedule of tapering, yield became range-bound. Chinese property market was affected by the tightening measures and onshore default issues and we trimmed down our holdings in the industry as a result and increased that for Thailand and Indonesia.

Investment report for the year ended 31 March 2021 (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 MPF Conservative Fund <i>Launch date: 25/10/2012</i>	0.37 ¹	0.76 ¹	N/A	0.65 ¹
Benchmark/Performance Target (MPFA Prescribed Savings Rate)	0.00	0.03	N/A	0.02 ²
Deviation from the Benchmark/Performance Target ⁴	+0.37	+0.73	N/A	+0.63 ³
Trustee's commentary	<ul style="list-style-type: none"> The 1-year and 5-year annualized returns were above the benchmark/performance target. 			
BEA Growth Fund <i>Launch date: 25/10/2012</i>	35.20	9.06	N/A	6.45
Benchmark/Performance Target (Lipper MPF Lifestyle (>60-80% Equity) Fund Category Median)	34.97	8.61	N/A	5.00 ²
Deviation from the Benchmark/Performance Target ⁴	+0.23	+0.45	N/A	+1.45 ³
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was above the benchmark/performance target due to positive asset allocation during the rising market in 2020. 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. 			
BEA Balanced Fund <i>Launch date: 25/10/2012</i>	25.44	7.23	N/A	5.33
Benchmark/Performance Target (Lipper MPF Lifestyle (>40-60% Equity) Fund Category Median)	26.32	6.45	N/A	4.46 ²
Deviation from the Benchmark/Performance Target ⁴	-0.88	+0.78	N/A	+0.87 ³
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was below the benchmark/performance target because portfolio positioning was too defensive relative to the competitors during the rising markets. 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. 			

Investment report for the year ended 31 March 2021 (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 Stable Fund <i>Launch date: 25/10/2012</i>	16.04	5.08	N/A	3.76
Benchmark/Performance Target (Lipper MPF Lifestyle (>20-40% Equity) Fund Category Median)	15.32	4.36	N/A	3.60 ²
Deviation from the Benchmark/Performance Target ⁴	+0.72	+0.72	N/A	+0.16 ³
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was above the benchmark/performance target due to positive asset allocation during the rising market in 2020. 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. 			
BEA Global Equity Fund <i>Launch date: 25/10/2012</i>	50.33	11.12	N/A	9.37
Benchmark/Performance Target (Lipper MPF Global Equity Fund Category Median)	50.35	10.05	N/A	6.08 ²
Deviation from the Benchmark/Performance Target ⁴	-0.02	+1.07	N/A	+3.29 ³
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was below the benchmark/performance target because portfolio positioning was too defensive relative to the competitors during the rising markets. The 5-year annualized return was above the benchmark/performance target due to positive stock selection especially in the US market during 2019. 			
BEA Asian Equity Fund <i>Launch date: 25/10/2012</i>	57.43	12.80	N/A	7.03
Benchmark/Performance Target (Lipper MPF Asia ex Japan Equity Fund Category Median)	61.51	12.72	N/A	7.49 ²
Deviation from the Benchmark/Performance Target ⁴	-4.08	+0.08	N/A	-0.46 ³
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was below the benchmark/performance target because portfolio positioning was too defensive relative to the competitors during the rising markets. The 5-year annualized return was above the benchmark/performance target due to overweighting in China equities which outperformed in 2019 and early 2020. 			

Investment report for the year ended 31 March 2021 (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 Greater China Equity Fund <i>Launch date: 25/10/2012</i>	58.98	16.54	N/A	10.75
Benchmark/Performance Target (Lipper MPF Greater China Equity Fund Category Median)	60.53	15.59	N/A	8.44 ²
Deviation from the Benchmark/Performance Target ⁴	-1.55	+0.95	N/A	+2.31 ³
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was below the benchmark/performance target because portfolio positioning was too defensive relative to the competitors during the rising markets. 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. 			
BEA Greater China Tracker Fund <i>Launch date: 25/10/2012</i>	49.33	14.10	N/A	8.33
Benchmark/Performance Target (FTSE Greater China HKD Net of Tax Index)	51.04	15.18	N/A	10.37 ²
Deviation from the Benchmark/Performance Target ⁴	-1.71	-1.08	N/A	-2.04 ³
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return corresponded to the return of the FTSE Greater China HKD Net of Tax Index through investing in a single approved index-tracking collective investment scheme, namely the SPDR® FTSE® Greater China ETF. Tracking error of the fund has been on target and within 3%. The 5-year annualized return corresponded to the return of the FTSE Greater China HKD Net of Tax Index through investing in a single approved index-tracking collective investment scheme, namely the SPDR® FTSE® Greater China ETF. Tracking error of the fund has been on target and within 3%. 			

Investment report for the year ended 31 March 2021 (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: 25/10/2012</i>	22.59	9.00	N/A	5.12
Benchmark/Performance Target (Hang Seng Index)	23.93	10.27	N/A	6.98 ²
Deviation from the Benchmark/Performance Target ⁴	-1.34	-1.27	N/A	-1.86 ³
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 Global Bond Fund <i>Launch date: 25/10/2012</i>	1.64	1.63	N/A	1.19
Benchmark/Performance Target (Lipper MPF Global Bond Fund Category Median)	1.50	1.31	N/A	1.88 ²
Deviation from the Benchmark/Performance Target ⁴	+0.14	+0.32	N/A	-0.69 ³
Trustee's commentary	<ul style="list-style-type: none"> The 1-year annualized return was above the benchmark/performance target due to higher US dollar exposure under a period of strong US dollar in 2020. The 5-year annualized return was above the benchmark/performance target due to longer duration and overweighting US dollar. 			

Investment report for the year ended 31 March 2021 (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 Age 65 Plus Fund <i>Launch date: 01/04/2017</i>	8.88	N/A	N/A	4.73
Benchmark/Performance Target (Willis Towers Watson – MPF DIS Reference Portfolios – Age 65 Plus Fund)	7.50	N/A	N/A	4.41
Deviation from the Benchmark/Performance Target ⁴	+1.38	N/A	N/A	+0.32
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 Core Accumulation Fund <i>Launch date: 01/04/2017</i>	29.22	N/A	N/A	8.76
Benchmark/Performance Target (Willis Towers Watson – MPF DIS Reference Portfolios – Core Accumulation Fund)	29.05	N/A	N/A	8.32
Deviation from the Benchmark/Performance Target ⁴	+0.17	N/A	N/A	+0.44
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 2021 (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 Fees and charges of MPF conservative fund can be deducted from either (i) the assets of the fund or (ii) members' account by way of unit deduction. BEA MPF Conservative Fund uses method (ii) and fund performance quoted in this Trustee's Commentary has already reflected the impact of fees and charges.

² The benchmark/performance target may not be meaningful as different funds may have different launch dates.

³ The deviation from the benchmark/performance target may not be meaningful due to different funds may have different launch dates.

⁴ The figures of the performance and the benchmark/performance target were rounded to 2 decimal places which may derive a rounding difference in deviation.

Investment report for the year ended 31 March 2021 (continued)

Investment objectives and policies of the Scheme and the constituent funds

The Scheme commenced operations on 25 October 2012. The Scheme offers 12 constituent funds with different investment policies. The constituent funds of the Scheme are BEA MPF Conservative Fund, BEA Growth Fund, BEA Balanced Fund, BEA Stable Fund, BEA Global Equity Fund, BEA Asian Equity Fund, BEA Greater China Equity Fund, BEA Greater China Tracker Fund, BEA Hong Kong Tracker Fund, BEA Global Bond Fund, BEA Age 65 Plus Fund and BEA Core Accumulation Fund.

BEA Growth Fund, BEA Balanced Fund, BEA Stable Fund and BEA Asian Equity Fund invest in Approved Pooled Investment Funds (“APIFs”). BEA Global Equity Fund, BEA Greater China Equity Fund, BEA Global Bond Fund, BEA Age 65 Plus Fund and BEA Core Accumulation Fund invest in a single APIF. BEA Greater China Tracker Fund and BEA Hong Kong Tracker Fund invest in a single Approved Index-Tracking Collective Investment Scheme (“ITCIS”) and BEA MPF Conservative Fund invests directly in a portfolio of Hong Kong dollar deposits and Hong Kong dollar 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.

Investment report for the year ended 31 March 2021 (continued)

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

BEA MPF Conservative Fund

Investment objective:

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

Investment policy:

The BEA MPF Conservative Fund solely invests in Hong Kong dollar denominated instruments, namely, short-term deposits and debt securities issued by banks, corporations and governments and such instruments will satisfy the requirements set out in section 37 of the Hong Kong Mandatory Provident Fund Schemes (General) Regulation (“General Regulation”). The BEA MPF Conservative Fund will not enter into financial futures and options contracts for any purposes. The BEA MPF Conservative Fund will not engage in security lending and will not enter into repurchase agreements.

BEA 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 Growth Fund will invest primarily in global equity and bond markets. The BEA Growth Fund will invest in a range of APIFs managed by the Investment Manager 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 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 Growth Fund will not engage in security lending and will not enter into repurchase agreements. The underlying APIFs may, however, engage in security lending. Both the BEA Growth Fund and the underlying APIFs will enter into financial futures and options contracts for hedging purposes only.

Investment report for the year ended 31 March 2021 (continued)

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

BEA 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 Balanced Fund will invest primarily in global equity and bond markets. The BEA Balanced Fund will invest in a range of APIFs managed by the Investment Manager 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 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 Balanced Fund will not engage in security lending and will not enter into repurchase agreements. The underlying APIFs may, however, engage in security lending. Both the BEA Balanced Fund and the underlying APIFs will enter into financial futures and options contracts for hedging purposes only.

Investment report for the year ended 31 March 2021 (continued)

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

BEA 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 Stable Fund will invest primarily in the global equity and bond markets. The BEA Stable Fund will invest in a range of APIFs managed by the Investment Manager 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 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 Stable Fund will not engage in security lending and will not enter into repurchase agreements. The underlying APIFs may, however, engage in security lending. Both the BEA Stable Fund and the underlying APIFs will enter into financial futures and options contracts for hedging purposes only.

Investment report for the year ended 31 March 2021 (continued)

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

BEA Global Equity Fund

Investment objective:

To provide investors with long-term capital growth through investing in a diversified global portfolio.

Investment policy:

The BEA Global Equity Fund will invest directly in a single APIF, namely the BEA Union Investment Global Equity Fund (a sub-fund of the BEA Union Investment Capital Growth Fund), to obtain exposure to the global equity markets. The underlying APIF's portfolio primarily consist of global equity securities, including but not limited to common stocks, preferred stocks, American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs"), International Depositary Receipts ("IDRs"), approved Exchange Traded Funds ("ETFs"), warrants, or debt securities convertible into common or preferred stocks, or ADRs, GDRs or IDRs, to the extent permitted under Schedule 1 to the General Regulation. In managing the asset allocation of the underlying APIF's portfolio, the manager of the underlying APIF will from time to time make reference to the geographic allocation by one or more global stock market indices. As an indication, the geographic allocation of the underlying APIF is expected to be:

United States	- 0% - 65%
Europe	- 0% - 40%
Others	- 0% - 50%

Please note that the above figures are for indicative purposes only. The actual allocation of the underlying APIF's portfolio between countries and regions may vary from time to time and may be different from that as shown above according to the perception of the APIF's manager of prevailing and anticipated global market conditions and will be decided on the basis of the macro-economic analysis of the underlying APIF's manager of the global markets and economic growth, inflation and interest rate trends.

Investment report for the year ended 31 March 2021 (continued)

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

BEA Global Equity Fund (continued)

Investment policy (continued):

Normally not less than 70% of the underlying APIF's assets will be invested in equities. Any remaining assets may be held in money market instruments, cash or cash equivalents. In times of extreme volatility of the markets or during severe adverse market conditions, the underlying APIF may hold a substantial portion of its assets in money market instruments, cash or cash equivalents to safeguard the investment portfolio of the APIF. Up to 10% of the assets of the underlying APIF may be invested in other securities (as permitted under Schedule 1 to the General Regulation).

The BEA Global Equity Fund may hold cash and bank deposits for ancillary purposes, such as for meeting redemption requests or defraying operating expenses.

The BEA Global Equity Fund will not engage in security lending and will not enter into repurchase agreements. The underlying APIF may, however, engage in security lending. The BEA Global Equity Fund will not enter into financial futures and options contracts for any purposes. Subject to the restrictions imposed by the MPF Ordinance, the underlying APIF may, however, 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 underlying APIF.

Investment report for the year ended 31 March 2021 (continued)

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

BEA 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.

Investment policy:

The BEA Asian Equity Fund will invest in a range of APIFs managed by the Investment Manager 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 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 Asian Equity Fund may hold cash and bank deposits for ancillary purposes, such as for meeting redemption requests or defraying operating expenses. The BEA Asian Equity Fund will not engage in security lending and will not enter into repurchase agreements. The underlying APIFs may, however, engage in security lending. The BEA Asian Equity Fund and the underlying APIFs will enter into financial futures and options contracts for hedging purposes only.

Investment report for the year ended 31 March 2021 (continued)

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

BEA Greater China Equity Fund

Investment objective:

To provide investors with long-term capital growth through exposure to the Greater China equity markets.

Investment policy:

The BEA Greater China Equity Fund will invest directly in a single APIF, namely the BEA Union Investment Greater China Growth Fund (a sub fund of the BEA Union Investment Capital Growth Fund) to obtain exposure to the Greater China equity markets. The underlying APIF will invest in a diversified portfolio primarily consisting of securities that are either (a) listed in Greater China or (b) issued by companies that are incorporated in Greater China or companies which have significant operations in or derive a significant portion of revenue or profits from Greater China. Normally not less than 70% of the assets of the underlying APIF will be invested directly in equities. Up to 10% of the assets of the underlying APIF may be invested in other securities (as permitted under Schedule 1 to the General Regulation), including other collective investment schemes, China A-shares and China B-shares. Any remaining assets may be held in cash or cash equivalents. In times of extreme volatility of the markets or during severe adverse market conditions, the underlying APIF may hold a substantial portion of its asset in cash or cash equivalents, or invest in short-term money market instruments to safeguard the investment portfolio of the underlying APIF.

The BEA Greater China Equity Fund may hold cash and bank deposits for ancillary purposes, such as for meeting redemption requests or defraying operating expenses. The Investment Manager is also the manager of the underlying APIF. The BEA Greater China Equity Fund will not engage in security lending and will not enter into repurchase agreements. The underlying APIF may, however, engage in security lending. The BEA Greater China Equity Fund will not enter into financial futures and options contracts for any purposes. The underlying APIF may, however, enter into financial futures and options contracts for hedging purposes.

Investment report for the year ended 31 March 2021 (continued)

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

BEA Greater China Tracker Fund

Investment objective:

To provide investment returns, before fees and expenses, that closely correspond to the performance of the FTSE Greater China HKD Index.

Investment policy:

The BEA Greater China Tracker Fund will invest directly in a single approved ITCIS, namely the SPDR FTSE Greater China ETF (a sub-fund of the SPDR ETFs). The underlying approved ITCIS aims to provide investment returns, before fees and expenses, that closely correspond to the performance of the FTSE Greater China HKD Index. The FTSE Greater China HKD Index comprises of stocks listed in Hong Kong, Taiwan, Shanghai (China B-shares and with effect from 23rd March, 2020, China A-shares), Shenzhen (China B-shares and with effect from 23rd March, 2020, China A-shares) and Singapore, where the Singapore listed stocks are classified as Hong Kong nationality in accordance with FTSE nationality rules.

The underlying approved ITCIS may receive other derivatives, such as warrants or options, as a result of corporate action from underlying investments. The BEA Greater China Tracker Fund may hold cash and bank deposits for ancillary purposes, such as for meeting redemption requests or defraying operating expenses. Whilst the investment objective of the BEA Greater China Tracker Fund and the underlying approved ITCIS is to track the FTSE Greater China HKD Index, there can be no assurance that the performance of the BEA Greater China Tracker Fund and the underlying approved ITCIS will at any time be identical to that of the FTSE Greater China HKD Index.

The BEA Greater China Tracker Fund and the underlying approved ITCIS will not engage in security lending and will not enter into repurchase agreements. The BEA Greater China Tracker Fund will not enter into financial futures and options contracts for any purposes. However, the underlying approved ITCIS may use futures contracts listed on futures exchanges in Hong Kong, Taiwan and Singapore.

Investment report for the year ended 31 March 2021 (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 closely correspond to the performance of the Hang Seng Index.

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 2021 (continued)

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

BEA Global Bond Fund

Investment objective:

To provide investors with total investment return over the medium to long term through investing into a diversified range of global bonds.

Investment policy:

The BEA Global Bond Fund will invest directly in a single APIF, namely the BEA Union Investment Global Bond Fund (a sub-fund of the BEA Union Investment Capital Growth Fund) to obtain exposure to global bond markets. The underlying APIF will invest in a diversified range of global bonds denominated in various major currencies (including but not limited to, US dollars, Euro, Pounds Sterling, Japanese Yen and HK dollars). The underlying APIF's assets will normally be invested between 20% to 100% in short to long term government bonds and 0% to 80% in short to long term corporate bonds. Such investments will be made mainly in the United States of America, Europe and Asia, but may include other markets.

The BEA Global Bond Fund may hold cash and bank deposits for ancillary purposes, such as for meeting redemption requests or defraying operating expenses. The Investment Manager is also the manager of the underlying APIF. The BEA Global Bond Fund will not engage in security lending and will not enter into repurchase agreements. The underlying APIF, however, may engage in security lending. The BEA Global Bond Fund will not enter into financial futures and options contracts for any purposes. The underlying APIF, however, may enter into financial futures contracts for hedging purposes.

Investment report for the year ended 31 March 2021 (continued)

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

BEA Age 65 Plus Fund

Investment objective:

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

Investment policy:

The BEA Age 65 Plus Fund will invest in an APIF, 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 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 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 Age 65 Plus Fund's investment in the BEA Union Investment Age 65 Plus Fund, at least 30% of the assets of the BEA 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 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 Investment Manager, BEA Union Investment Management Limited, is also the manager of the underlying APIF.

The BEA 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 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 2021 (continued)

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

BEA Core Accumulation Fund

Investment objective:

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

Investment policy:

The BEA 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 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 Core Accumulation Fund's investment in the BEA Union Investment Core Accumulation Fund, at least 30% of the assets of the BEA 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 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 Investment Manager, BEA Union Investment Management Limited, is also the manager of the underlying APIF.

The BEA 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 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 2021 (continued)

Investment income and performance

	<i>BEA MPF Conservative Fund</i>			<i>BEA Growth Fund</i>			<i>BEA Balanced Fund</i>		
	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Net income/(loss) excluding capital appreciation/(depreciation)	173,753	384,685	275,643	(130,733)	(105,366)	(81,514)	(88,870)	(68,696)	(52,742)
Capital appreciation/(depreciation) of investments - realised and unrealised	-	-	-	4,286,659	(875,235)	3,514	2,219,293	(332,526)	24,171
Value of scheme assets derived from investments as at 31 March	<u>20,932,564</u>	<u>17,067,094</u>	<u>17,665,882</u>	<u>14,991,467</u>	<u>10,871,052</u>	<u>9,963,466</u>	<u>9,690,597</u>	<u>7,788,795</u>	<u>6,307,104</u>
	<i>BEA Stable Fund</i>			<i>BEA Global Equity Fund</i>			<i>BEA Asian Equity Fund</i>		
	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Net loss excluding capital (depreciation)/appreciation	(101,611)	(85,704)	(70,506)	(97,839)	(73,806)	(62,293)	(65,269)	(47,261)	(40,769)
Capital appreciation/(depreciation) of investments - realised and unrealised	1,712,110	(71,815)	2,159	4,321,739	(1,057,209)	171,122	3,012,351	(635,208)	(464,447)
Value of scheme assets derived from investments as at 31 March	<u>10,783,869</u>	<u>9,178,819</u>	<u>7,987,167</u>	<u>13,025,713</u>	<u>8,002,341</u>	<u>7,310,628</u>	<u>8,860,977</u>	<u>5,029,726</u>	<u>4,541,770</u>

Investment report for the year ended 31 March 2021 (continued)

Investment income and performance (continued)

	<u>BEA Greater China Equity Fund</u>			<u>BEA Greater China Tracker Fund</u>			<u>BEA Hong Kong Tracker Fund</u>		
	2021	2020	2019	2021	2020	2019	2021	2020	2019
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Net (loss)/income excluding capital (depreciation)/appreciation	(99,508)	(60,144)	(53,645)	(45,941)	(32,536)	(27,457)	368,812	422,798	414,811
Capital (depreciation)/appreciation of investments - realised and unrealised	4,215,542	(263,951)	(309,914)	2,579,342	(536,580)	(170,538)	3,230,345	(2,949,575)	(473,900)
Value of scheme assets derived from investments as at 31 March	<u>15,294,224</u>	<u>7,063,918</u>	<u>6,340,198</u>	<u>8,463,720</u>	<u>4,825,620</u>	<u>4,768,500</u>	<u>19,273,850</u>	<u>13,952,250</u>	<u>14,964,600</u>
	<u>BEA Global Bond Fund</u>			<u>BEA Age 65 Plus Fund</u>			<u>BEA Core Accumulation Fund</u>		
	2021	2020	2019	2021	2020	2019	2021	2020	2019
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Net loss excluding capital (depreciation)/appreciation	(41,184)	(39,181)	(33,718)	(30,202)	(13,559)	(8,664)	(66,487)	(39,272)	(19,764)
Capital appreciation/(depreciation) of investments - realised and unrealised	68,104	211,652	2,228	278,448	37,511	39,580	1,949,031	(248,710)	101,139
Value of scheme assets derived from investments as at 31 March	<u>4,240,746</u>	<u>3,349,989</u>	<u>3,910,557</u>	<u>4,386,971</u>	<u>2,378,943</u>	<u>1,222,084</u>	<u>9,127,985</u>	<u>5,887,874</u>	<u>3,308,634</u>

Investment report for the year ended 31 March 2021 (continued)

Breakdown of income derived from investments and bank balances

For the year ended 31 March 2021

	<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 MPF Conservative Fund	-	14	173,739	173,753
BEA Growth Fund	-	5	-	5
BEA Balanced Fund	-	4	-	4
BEA Stable Fund	-	5	-	5
BEA Global Equity Fund	-	3	-	3
BEA Asian Equity Fund	-	1	-	1
BEA Greater China Equity Fund	-	3	-	3
BEA Greater China Tracker Fund	-	-	-	-
BEA Hong Kong Tracker Fund	494,565	1	-	494,566
BEA Global Bond Fund	-	1	-	1
BEA Age 65 Plus Fund	-	-	-	-
BEA Core Accumulation Fund	-	-	-	-

Investment report for the year ended 31 March 2021 (continued)

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

For the year ended 31 March 2020

	<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 MPF Conservative Fund	-	2,518	382,167	384,685
BEA Growth Fund	-	301	-	301
BEA Balanced Fund	-	180	-	180
BEA Stable Fund	-	269	-	269
BEA Global Equity Fund	-	135	-	135
BEA Asian Equity Fund	-	41	-	41
BEA Greater China Equity Fund	-	132	-	132
BEA Greater China Tracker Fund	-	8	-	8
BEA Hong Kong Tracker Fund	537,765	30	-	537,795
BEA Global Bond Fund	-	92	-	92
BEA Age 65 Plus Fund	-	1	-	1
BEA Core Accumulation Fund	-	7	-	7

Investment report for the year ended 31 March 2021 (continued)

Performance table

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

<i>Name of constituent funds</i>	<i>As at 31 March 2021</i>		<i>As at 31 March 2020</i>		<i>As at 31 March 2019</i>	
	<i>Total net asset value</i> HK\$	<i>Net asset value per unit</i> HK\$	<i>Total net asset value</i> HK\$	<i>Net asset value per unit</i> HK\$	<i>Total net asset value</i> HK\$	<i>Net asset value per unit</i> HK\$
BEA MPF Conservative Fund	22,725,976	10.8396	18,652,377	10.7414	18,898,844	10.5305
BEA Growth Fund	16,117,821	16.9418	11,435,284	12.5305	10,613,004	13.5906
BEA Balanced Fund	10,399,455	15.4989	8,085,281	12.3556	6,710,649	12.9104
BEA Stable Fund	11,748,975	13.6576	9,641,331	11.7694	8,647,869	11.9409
BEA Global Equity Fund	13,195,878	21.2880	8,130,687	14.1607	7,497,966	15.9934
BEA Asian Equity Fund	9,025,998	17.7430	5,056,249	11.2702	4,575,196	12.7395
BEA Greater China Equity Fund	15,687,434	23.6578	7,444,445	14.8806	6,527,761	15.4944
BEA Greater China Tracker Fund	8,467,064	19.6453	4,825,929	13.1556	4,769,326	14.6450
BEA Hong Kong Tracker Fund	19,747,547	15.2338	13,957,640	12.4269	14,976,583	14.9075
BEA Global Bond Fund	4,342,491	11.0501	3,571,835	10.8722	4,021,250	10.4810
BEA Age 65 Plus Fund	4,395,710	12.0304	2,378,643	11.0489	1,221,239	10.7397
BEA Core Accumulation Fund	9,136,285	13.9936	5,883,863	10.8293	3,306,315	11.3200
	<u>144,990,634</u>		<u>99,063,564</u>		<u>91,766,002</u>	

Investment report for the year ended 31 March 2021 (continued)

Performance table (continued)

(b) Highest and lowest prices

	<i>BEA MPF Conservative Fund ⁽¹⁾</i>	<i>BEA Growth Fund ⁽¹⁾</i>	<i>BEA Balanced Fund ⁽¹⁾</i>	<i>BEA Stable Fund ⁽¹⁾</i>	<i>BEA Global Equity Fund ⁽¹⁾</i>	<i>BEA Asian Equity Fund ⁽¹⁾</i>	<i>BEA Greater China Equity Fund ⁽¹⁾</i>	<i>BEA Greater China Tracker Fund ⁽¹⁾</i>	<i>BEA Hong Kong Tracker Fund ⁽¹⁾</i>	<i>BEA Global Bond Fund ⁽¹⁾</i>	<i>BEA Age 65 Plus Fund ⁽¹⁾</i>	<i>BEA Core Accumulation Fund ⁽¹⁾</i>
Highest issue price per unit (HK\$)												
2021	10.8396	17.9647	16.2945	14.2190	21.5762	20.2132	26.9811	22.0321	16.6214	11.6234	12.2857	14.1884
2020	10.7414	14.7165	13.8220	12.5997	18.0384	13.9762	17.4284	15.9855	15.4625	11.5387	11.5996	12.5260
2019	10.5295	13.9857	13.1214	12.0596	16.6285	14.3765	17.0078	15.8316	15.8833	10.5680	10.7402	11.4140
2018	10.3590	14.6198	13.5758	12.3128	17.0294	15.1770	17.8552	16.5129	16.5390	10.5806	10.6016	11.5470
2017	10.2647	11.8988	11.5583	11.1646	13.9058	11.2538	12.9506	12.3601	12.0110	10.6058	-	-
2016	10.1928	12.1255	11.5612	10.9190	12.9334	12.3290	14.5862	13.5170	13.2154	10.1902	-	-
2015	10.1323	11.6032	11.1330	10.7410	12.7113	11.6179	12.8086	11.9667	11.6796	10.2071	-	-
2014	10.0511	11.1496	10.7499	10.4531	12.2422	11.0056	11.8503	11.0560	10.8233	10.0387	-	-
2013	10.0014	10.4424	10.3335	10.2392	10.7783	10.4840	10.8339	10.4116	10.5337	10.0070	-	-
Lowest redemption price per unit (HK\$)												
2021	10.7419	12.3027	12.1956	11.6671	13.6693	11.0707	14.7444	12.8032	12.0967	10.7894	10.9839	10.6062
2020	10.5310	11.5482	11.6255	11.2818	12.4017	10.0508	13.4791	11.6475	11.4741	10.3892	10.6373	9.9628
2019	10.3604	12.2908	11.9369	11.3036	13.8874	11.1034	13.2929	12.6791	12.6884	10.0495	10.2151	10.2663
2018	10.2654	11.7936	11.4628	10.8352	13.6667	10.9675	12.5537	12.1193	11.6667	9.8997	9.9997	9.9747
2017	10.1930	10.7449	10.7719	10.4277	11.9898	9.1143	10.3264	9.5900	9.4175	9.6860	-	-
2016	10.1325	10.0820	10.1883	10.0651	11.1611	8.4862	9.6536	8.8490	8.7209	9.5386	-	-
2015	10.0513	10.7934	10.5828	10.3911	11.3138	10.3263	11.0339	10.1752	9.8365	9.8066	-	-
2014	10.0014	9.9543	9.8809	9.8901	10.5160	9.2064	9.5365	8.9590	8.9339	9.7416	-	-
2013	10.0000	10.0055	9.9928	9.9965	10.0000	9.9485	10.0077	9.6926	9.7247	9.9089	-	-

⁽¹⁾ The date of commencement for BEA MPF Conservative Fund, BEA Growth Fund, BEA Balanced Fund, BEA Stable Fund, BEA Global Equity Fund, BEA Asian Equity Fund, BEA Greater China Equity Fund, BEA Greater China Tracker Fund, BEA Hong Kong Tracker Fund, and BEA Global Bond Fund was 25 October 2012.

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

Investment report for the year ended 31 March 2021 (continued)

Performance table (continued)

(c) **Net annualised investment return ⁽¹⁾**

	<i>BEA MPF Conservative Fund ⁽³⁾</i>	<i>BEA Growth Fund ⁽²⁾</i>	<i>BEA Balanced Fund ⁽²⁾</i>	<i>BEA Stable Fund ⁽²⁾</i>	<i>BEA Global Equity Fund ⁽²⁾</i>	<i>BEA Asian Equity Fund ⁽²⁾</i>	<i>BEA Greater China Equity Fund ⁽²⁾</i>	<i>BEA Greater China Tracker Fund ⁽²⁾</i>	<i>BEA Hong Kong Tracker Fund ⁽²⁾</i>	<i>BEA Global Bond Fund ⁽²⁾</i>	<i>BEA Age 65 Plus Fund ⁽²⁾</i>	<i>BEA Core Accumulation Fund ⁽²⁾</i>
Net annualised investment return (%)												
2021	0.91	35.20	25.44	16.04	50.33	57.43	58.98	49.33	22.59	1.64	8.88	29.22
2020	2.00	(7.80)	(4.30)	(1.44)	(11.46)	(11.53)	(3.96)	(10.17)	(16.64)	3.73	2.88	(4.33)
2019	1.65	(1.36)	(0.82)	(0.50)	1.51	(10.02)	(6.06)	(4.71)	(0.98)	(0.68)	2.68	2.30
2018	0.92	16.48	13.58	10.78	14.22	28.32	30.36	25.26	27.42	6.64	4.59	10.65
2017	0.71	7.72	4.83	1.63	9.79	13.58	14.96	20.76	19.31	(2.88)	-	-
2016	0.60	(4.91)	(1.32)	0.11	0.66	(13.36)	(14.07)	(15.01)	(14.47)	3.00	-	-
2015	0.81	4.96	3.86	2.36	2.95	6.16	14.35	16.14	16.03	(0.97)	-	-
2014	0.50	6.74	4.59	2.39	13.64	4.12	9.43	4.87	0.90	0.63	-	-
2013	0.01	3.08	1.99	1.59	6.69	1.43	2.36	(1.85)	(1.12)	(0.73)	-	-

⁽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 MPF Conservative Fund, BEA Growth Fund, BEA Balanced Fund, BEA Stable Fund, BEA Global Equity Fund, BEA Asian Equity Fund, BEA Greater China Equity Fund, BEA Greater China Tracker Fund, BEA Hong Kong Tracker Fund, and BEA Global Bond Fund was 25 October 2012.

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

⁽³⁾ The unit price of BEA 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 2021 (continued)

Performance table (continued)

(d) **Fund Expense Ratio (“FER”)**

<i>Name of constituent funds</i>	<i>2021</i>	
	<i>Transaction costs for the year ended 31 March HK\$</i>	<i>FER for the year ended 31 March</i>
BEA MPF Conservative Fund	-	0.61%
BEA Growth Fund	-	0.95%
BEA Balanced Fund	-	0.95%
BEA Stable Fund	-	0.94%
BEA Global Equity Fund	-	0.96%
BEA Asian Equity Fund	-	0.96%
BEA Greater China Equity Fund	-	0.94%
BEA Greater China Tracker Fund	5,155	1.07%
BEA Hong Kong Tracker Fund	19,147	0.73%
BEA Global Bond Fund	-	0.93%
BEA Age 65 Plus Fund	-	0.85%
BEA Core Accumulation Fund	-	0.85%

Investment report as at 31 March 2021 (continued)

Investment portfolio

BEA MPF Conservative Fund

	Nominal value HK\$	Fair value HK\$	Cost HK\$	% of net assets
Short-term deposits				
<i>Hong Kong Dollar</i>				
China CITIC Bank International Limited F/D 0.39% 30 April 2021	98,247	98,247	98,247	0.43
China CITIC Bank International Limited F/D 0.37% 25 June 2021	454,978	454,978	454,978	2.00
China CITIC Bank International Limited F/D 0.37% 25 June 2021	454,804	454,804	454,804	2.00
China CITIC Bank International Limited F/D 0.37% 25 June 2021	562,340	562,340	562,340	2.47
China CITIC Bank International Limited F/D 0.60% 30 July 2021	93,838	93,838	93,838	0.41
China CITIC Bank International Limited F/D 0.60% 30 July 2021	93,961	93,961	93,961	0.41
China Everbright Bank Co., Ltd. F/D 0.48% 01 April 2021	720,419	720,419	720,419	3.17
China Everbright Bank Co., Ltd. F/D 0.35% 16 April 2021	200,853	200,853	200,853	0.88
China Everbright Bank Co., Ltd. F/D 0.35% 16 April 2021	501,600	501,600	501,600	2.21
China Everbright Bank Co., Ltd. F/D 0.33% 23 April 2021	117,583	117,583	117,583	0.52
China Everbright Bank Co., Ltd. F/D 0.75% 30 July 2021	204,936	204,936	204,936	0.90
Chong Hing Bank Limited F/D 0.70% 01 April 2021	109,927	109,927	109,927	0.48
Chong Hing Bank Limited F/D 0.63% 30 April 2021	269,926	269,926	269,926	1.19
Chong Hing Bank Limited F/D 0.63% 30 April 2021	259,333	259,333	259,333	1.14
Chong Hing Bank Limited F/D 0.60% 28 May 2021	26,207	26,207	26,207	0.12

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA 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 0.55% 11 June 2021	290,478	290,478	290,478	1.28
Chong Hing Bank Limited F/D 0.55% 18 June 2021	190,679	190,679	190,679	0.84
Chong Hing Bank Limited F/D 0.65% 25 June 2021	386,089	386,089	386,089	1.70
Chong Hing Bank Limited F/D 0.65% 25 June 2021	131,792	131,792	131,792	0.58
Chong Hing Bank Limited F/D 0.65% 25 June 2021	97,639	97,639	97,639	0.43
Chong Hing Bank Limited F/D 0.65% 25 June 2021	73,987	73,987	73,987	0.33
Chong Hing Bank Limited F/D 0.70% 30 July 2021	146,148	146,148	146,148	0.64
CMB Wing Lung Bank Limited F/D 0.20% 21 May 2021	240,193	240,193	240,193	1.06
CMB Wing Lung Bank Limited F/D 0.20% 21 May 2021	600,000	600,000	600,000	2.64
CMB Wing Lung Bank Limited F/D 0.62% 30 July 2021	117,173	117,173	117,173	0.52
CMB Wing Lung Bank Limited F/D 0.62% 30 July 2021	290,759	290,759	290,759	1.28
CMB Wing Lung Bank Limited F/D 0.62% 30 July 2021	249,477	249,477	249,477	1.10
Credit Agricole Corporate and Investment Bank F/D 0.12% 23 April 2021	337,928	337,928	337,928	1.49
Credit Agricole Corporate and Investment Bank F/D 0.12% 23 April 2021	203,673	203,673	203,673	0.90
Credit Agricole Corporate and Investment Bank F/D 0.13% 30 April 2021	1,181,041	1,181,041	1,181,041	5.20
Dah Sing Bank, Limited F/D 0.12% 04 June 2021	660,000	660,000	660,000	2.90
Dah Sing Bank, Limited F/D 0.15% 25 June 2021	521,306	521,306	521,306	2.29

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA 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>				
Dah Sing Bank, Limited F/D 0.13% 02 July 2021	600,000	600,000	600,000	2.64
DBS Bank (Hong Kong) Limited F/D 0.21% 01 April 2021	228,056	228,056	228,056	1.00
DBS Bank (Hong Kong) Limited F/D 0.09% 30 April 2021	686,790	686,790	686,790	3.02
DBS Bank (Hong Kong) Limited F/D 0.09% 30 April 2021	317,304	317,304	317,304	1.40
DBS Bank (Hong Kong) Limited F/D 0.09% 30 April 2021	291,676	291,676	291,676	1.28
DBS Bank (Hong Kong) Limited F/D 0.09% 30 April 2021	311,005	311,005	311,005	1.37
Fubon Bank (Hong Kong) Limited F/D 0.45% 21 May 2021	161,195	161,195	161,195	0.71
Fubon Bank (Hong Kong) Limited F/D 0.45% 18 June 2021	385,248	385,248	385,248	1.70
Fubon Bank (Hong Kong) Limited F/D 0.45% 18 June 2021	348,542	348,542	348,542	1.53
Fubon Bank (Hong Kong) Limited F/D 0.45% 18 June 2021	475,748	475,748	475,748	2.09
Fubon Bank (Hong Kong) Limited F/D 0.45% 18 June 2021	435,697	435,697	435,697	1.92
Fubon Bank (Hong Kong) Limited F/D 0.45% 25 June 2021	137,094	137,094	137,094	0.60
Industrial and Commercial Bank of China (Asia) Limited F/D 0.20% 23 April 2021	253,819	253,819	253,819	1.12
Industrial and Commercial Bank of China (Asia) Limited F/D 0.20% 23 April 2021	280,393	280,393	280,393	1.23
Industrial and Commercial Bank of China (Asia) Limited F/D 0.20% 23 April 2021	177,725	177,725	177,725	0.78
Industrial and Commercial Bank of China (Asia) Limited F/D 0.05% 04 June 2021	426,000	426,000	426,000	1.88
Industrial and Commercial Bank of China (Asia) Limited F/D 0.15% 25 June 2021	611,807	611,807	611,807	2.69

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA 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 0.21% 01 April 2021	101,859	101,859	101,859	0.45
MUFG Bank, Ltd. F/D 0.12% 30 April 2021	503,229	503,229	503,229	2.21
MUFG Bank, Ltd. F/D 0.12% 30 April 2021	160,606	160,606	160,606	0.71
MUFG Bank, Ltd. F/D 0.12% 30 April 2021	440,649	440,649	440,649	1.94
MUFG Bank, Ltd. F/D 0.10% 28 May 2021	478,037	478,037	478,037	2.10
OCBC Wing Hang Bank Limited F/D 0.14% 16 April 2021	139,454	139,454	139,454	0.61
OCBC Wing Hang Bank Limited F/D 0.14% 16 April 2021	373,687	373,687	373,687	1.64
OCBC Wing Hang Bank Limited F/D 0.14% 16 April 2021	279,218	279,218	279,218	1.23
OCBC Wing Hang Bank Limited F/D 0.14% 16 April 2021	145,700	145,700	145,700	0.64
OCBC Wing Hang Bank Limited F/D 0.09% 23 April 2021	366,107	366,107	366,107	1.61
OCBC Wing Hang Bank Limited F/D 0.08% 25 June 2021	328,511	328,511	328,511	1.45
Sumitomo Mitsui Banking Corporation F/D 0.36% 01 April 2021	551,272	551,272	551,272	2.43
Sumitomo Mitsui Banking Corporation F/D 0.23% 23 April 2021	137,813	137,813	137,813	0.61
Sumitomo Mitsui Banking Corporation F/D 0.23% 23 April 2021	381,629	381,629	381,629	1.68
Sumitomo Mitsui Banking Corporation F/D 0.24% 25 June 2021	239,023	239,023	239,023	1.05
Sumitomo Mitsui Banking Corporation F/D 0.58% 30 July 2021	290,357	290,357	290,357	1.28
Total investments		<u>20,932,564</u>	<u>20,932,564</u>	<u>92.11</u>

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

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA 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	4,175.1610	594,084	539,419	3.69
BEA Union Investment Asia Strategic Growth Fund - Class A	5,020.0790	2,734,236	1,923,961	16.96
BEA Union Investment Global Bond Fund - Class A	17,591.0980	2,374,622	2,258,995	14.73
BEA Union Investment Global Equity Fund - Class A	29,407.1510	6,860,100	5,035,505	42.56
BEA Union Investment Greater China Growth Fund - Class A	325.9300	140,307	58,782	0.87
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	356.0120	53,448	49,245	0.33
BEA Union Investment Hong Kong Growth Fund - Class A	5,050.8660	2,032,115	1,682,620	12.61
BEA Union Investment Money Market Fund - Class A	1,963.3120	202,555	196,624	1.26
Total investments		<u>14,991,467</u>	<u>11,745,151</u>	<u>93.01</u>

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

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA Balanced 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	4,214.0960	599,624	506,715	5.77
BEA Union Investment Asia Strategic Growth Fund - Class A	2,710.6310	1,476,372	1,091,412	14.20
BEA Union Investment Global Bond Fund - Class A	24,911.0120	3,362,737	3,136,172	32.33
BEA Union Investment Global Equity Fund - Class A	13,448.0590	3,137,163	2,405,047	30.17
BEA Union Investment Greater China Growth Fund - Class A	143.3530	61,711	25,854	0.59
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	387.5660	58,185	53,503	0.56
BEA Union Investment Hong Kong Growth Fund - Class A	2,136.1660	859,444	708,658	8.26
BEA Union Investment Money Market Fund - Class A	1,312.0190	135,361	131,820	1.30
Total investments		<u>9,690,597</u>	<u>8,059,181</u>	<u>93.18</u>

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

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA Stable 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	4,887.4930	695,441	583,061	5.92
BEA Union Investment Asia Strategic Growth Fund - Class A	1,963.9600	1,069,690	842,859	9.10
BEA Union Investment Global Bond Fund - Class A	41,616.8910	5,617,864	5,232,907	47.82
BEA Union Investment Global Equity Fund - Class A	9,511.2770	2,218,791	1,839,156	18.89
BEA Union Investment Greater China Growth Fund - Class A	121.6750	52,379	22,096	0.45
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	421.9550	63,348	57,229	0.54
BEA Union Investment Hong Kong Growth Fund - Class A	1,410.8320	567,620	498,501	4.83
BEA Union Investment Money Market Fund - Class A	4,834.1180	498,736	483,922	4.24
Total investments		<u>10,783,869</u>	<u>9,559,731</u>	<u>91.79</u>

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

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA Global 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 Global Equity Fund - Class A	55,837.2450	<u>13,025,713</u>	<u>9,082,308</u>	<u>98.71</u>
Total investments		<u><u>13,025,713</u></u>	<u><u>9,082,308</u></u>	<u><u>98.71</u></u>

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

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA 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	13,458.0730	7,330,074	4,636,561	81.21
BEA Union Investment Greater China Growth Fund - Class A	1,179.9030	507,925	445,917	5.63
BEA Union Investment Hong Kong Growth Fund - Class A	2,542.6350	1,022,978	880,664	11.33
Total investments		<u>8,860,977</u>	<u>5,963,142</u>	<u>98.17</u>

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

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA 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 Fund				
<i>Established in Hong Kong</i>				
BEA Union Investment Greater China Growth Fund - Class A	35,528.3030	<u>15,294,224</u>	<u>10,876,198</u>	<u>97.49</u>
Total investments		<u><u>15,294,224</u></u>	<u><u>10,876,198</u></u>	<u><u>97.49</u></u>

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

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA Greater 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>				
SPDR FTSE Greater China ETF	150,600.0000	<u>8,463,720</u>	<u>5,943,635</u>	<u>99.96</u>
Total investments		<u><u>8,463,720</u></u>	<u><u>5,943,635</u></u>	<u><u>99.96</u></u>

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

Investment report as at 31 March 2021 (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	672,500.000	<u>19,273,850</u>	<u>17,828,844</u>	<u>97.60</u>
Total investments		<u><u>19,273,850</u></u>	<u><u>17,828,844</u></u>	<u><u>97.60</u></u>

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

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA Global Bond 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 Global Bond Fund - Class A	31,415.2570	<u>4,240,746</u>	<u>4,175,968</u>	<u>97.66</u>
Total investments		<u><u>4,240,746</u></u>	<u><u>4,175,968</u></u>	<u><u>97.66</u></u>

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

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA 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	35,208.4340	<u>4,386,971</u>	<u>4,100,862</u>	<u>99.80</u>
Total investments		<u><u>4,386,971</u></u>	<u><u>4,100,862</u></u>	<u><u>99.80</u></u>

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

Investment report as at 31 March 2021 (continued)

Investment portfolio (continued)

BEA 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	63,344.7930	<u>9,127,985</u>	<u>7,531,765</u>	<u>99.91</u>
Total investments		<u><u>9,127,985</u></u>	<u><u>7,531,765</u></u>	<u><u>99.91</u></u>

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

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio

BEA MPF Conservative Fund

	<i>% of net assets</i>	
	<i>As at</i>	<i>As at</i>
	<i>31 March 2021</i>	<i>31 March 2020</i>
Short-term deposits		
Hong Kong Dollar	92.11	91.50

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Growth Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Funds				
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	1,552.2340	2,622.9270	-	4,175.1610
BEA Union Investment Asia Strategic Growth Fund - Class A	4,044.9920	975.0870	-	5,020.0790
BEA Union Investment Global Bond Fund - Class A	19,286.9060	6,093.0530	7,788.8610	17,591.0980
BEA Union Investment Global Equity Fund - Class A	30,174.1610	12,916.7260	13,683.7360	29,407.1510
BEA Union Investment Greater China Growth Fund - Class A	325.9300	-	-	325.9300
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	158.1580	197.8540	-	356.0120
BEA Union Investment Hong Kong Growth Fund - Class A	6,365.4690	3,658.3450	4,972.9480	5,050.8660
BEA Union Investment Money Market Fund - Class A	<u>1,963.3120</u>	<u>-</u>	<u>-</u>	<u>1,963.3120</u>

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Balanced Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Funds				
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	3,052.8250	1,161.2710	-	4,214.0960
BEA Union Investment Asia Strategic Growth Fund - Class A	1,987.7930	722.8380	-	2,710.6310
BEA Union Investment Global Bond Fund- Class A	24,730.3820	5,817.1420	5,636.5120	24,911.0120
BEA Union Investment Global Equity Fund - Class A	15,032.8620	7,847.5540	9,432.3570	13,448.0590
BEA Union Investment Greater China Growth Fund - Class A	143.3530	-	-	143.3530
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	182.2590	205.3070	-	387.5660
BEA Union Investment Hong Kong Growth Fund - Class A	3,333.7910	1,967.2370	3,164.8620	2,136.1660
BEA Union Investment Money Market Fund - Class A	<u>1,312.0190</u>	<u>-</u>	<u>-</u>	<u>1,312.0190</u>

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Stable Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Funds				
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	4,228.1310	821.1190	161.7570	4,887.4930
BEA Union Investment Asia Strategic Growth Fund - Class A	1,528.3550	731.6820	296.0770	1,963.9600
BEA Union Investment Global Bond Fund - Class A	39,717.4970	11,117.6200	9,218.2260	41,616.8910
BEA Union Investment Global Equity Fund - Class A	10,347.2880	10,278.2000	11,114.2110	9,511.2770
BEA Union Investment Greater China Growth Fund - Class A	121.6750	-	-	121.6750
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	345.3110	152.5650	75.9210	421.9550
BEA Union Investment Hong Kong Growth Fund - Class A	2,487.8810	2,458.8000	3,535.8490	1,410.8320
BEA Union Investment Money Market Fund - Class A	<u>4,834.1180</u>	<u>-</u>	<u>-</u>	<u>4,834.1180</u>

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Global Equity Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Fund				
BEA Union Investment Global Equity Fund - Class A	52,605.4490	14,730.2710	11,498.4750	55,837.2450

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Asian Equity Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Funds				
BEA Union Investment Asia Strategic Growth Fund - Class A	12,402.4130	1,470.5240	414.8640	13,458.0730
BEA Union Investment Greater China Growth Fund - Class A	810.9440	610.1850	241.2260	1,179.9030
BEA Union Investment Hong Kong Growth Fund - Class A	<u>2,241.0690</u>	<u>1,004.7020</u>	<u>703.1360</u>	<u>2,542.6350</u>

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Greater China Equity Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Fund				
BEA Union Investment Greater China Growth Fund - Class A	26,651.2640	13,668.5080	4,791.4690	35,528.3030

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Greater China Tracker Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Index-Tracking Collective Investment Scheme				
SPDR FTSE Greater China ETF	<u>129,200.0000</u>	<u>41,200.0000</u>	<u>19,800.0000</u>	<u>150,600.0000</u>

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Hong Kong Tracker Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Index-Tracking Collective Investment Scheme				
Tracker Fund of Hong Kong	<u>585,000.0000</u>	<u>243,500.0000</u>	<u>156,000.0000</u>	<u>672,500.0000</u>

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Global Bond Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Fund				
BEA Union Investment Global Bond Fund - Class A	25,446.1740	36,016.3490	30,047.2660	31,415.2570

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Age 65 Plus Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Fund				
BEA Union Investment Age 65 Plus Fund - Class I	20,983.8810	22,837.8830	8,613.3300	35,208.4340

Investment report for the year ended 31 March 2021 (continued)

Statement of movements in investment portfolio (continued)

BEA Core Accumulation Fund

	<i>Portfolio holdings</i>			<i>As at 31 March 2021 units</i>
	<i>As at 31 March 2020 units</i>	<i>Additions units</i>	<i>Disposals units</i>	
Approved Pooled Investment Fund				
BEA Union Investment Core Accumulation Fund - Class I	<u>53,240.5670</u>	<u>20,939.8270</u>	<u>10,835.6010</u>	<u>63,344.7930</u>



Independent auditor's report to the Trustee of BEA (MPF) Value 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 68 to 117, 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 2021, 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 2021, 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 ("HKSA") 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) Value 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 of the Scheme 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 of the Scheme 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 HKSAAs 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) Value 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 HKSAs, 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) Value 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.



Certified Public Accountants

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

20 September 2021



Independent auditor's assurance report

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

We have audited the financial statements of the Scheme for the year ended 31 March 2021 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 20 September 2021.

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 2021 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 2020, 31 December 2020 and 31 March 2021; 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 Age 65 Plus Fund and BEA Core Accumulation Fund have been complied with, in all material respects, as at 31 July 2020, 31 December 2020 and 31 March 2021; 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 Age 65 Plus Fund and BEA Core Accumulation Fund have been complied with, in all material respects, as at 31 March 2021.
2. As at 31 March 2021, 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 Age 65 Plus Fund and BEA Core Accumulation Fund are not applicable to the Trustee during the year ended 31 March 2021 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

20 September 2021

Statement of changes in net assets available for benefits - Value Scheme for the year ended 31 March 2021

	Note	2021 HK\$	2020 HK\$
Income			
Net gain/(loss) on investments in constituent funds	8	27,647,885	(6,479,688)
Interest on bank deposits	9(b)	9	531
Total investment income/(loss)		<u>27,647,894</u>	<u>(6,479,157)</u>
Expenses			
Administrative and other expenses		9	531
Total operating expenses		<u>9</u>	<u>531</u>
Net profit/(loss)		<u>27,647,885</u>	<u>(6,479,688)</u>
Contributions received and receivable	11		
From employers			
- Mandatory		6,903,760	6,690,366
- Additional voluntary		110,077	57,150
From members			
- Mandatory		6,824,656	6,617,369
- Additional voluntary		5,037,134	4,769,713
		<u>18,875,627</u>	<u>18,134,598</u>
Contribution surcharge		<u>53,386</u>	<u>36,464</u>

Statement of changes in net assets available for benefits
- Value Scheme
for the year ended 31 March 2021 (continued)

	Note	2021 HK\$	2020 HK\$
Transfers in			
Group transfers in from other schemes		2,198,352	161
Individual transfers in from other schemes		11,878,058	6,355,654
		<u>14,076,410</u>	<u>6,355,815</u>
Benefits paid and payable			
	12		
Retirement		2,197,267	752,553
Early retirement		584,858	500,292
Death		60,508	-
Permanent departure		1,084,608	386,759
Total incapacity		20	-
Refund of contributions to leavers or employers		148,991	5,204
		<u>4,076,252</u>	<u>1,644,808</u>
Transfers out			
Group transfers out to other schemes		1,000,255	1,425,136
Individual transfers out to other schemes		7,946,527	6,407,293
		<u>8,946,782</u>	<u>7,832,429</u>
Long service payments and severance payments		<u>2,427,996</u>	<u>655,397</u>
Fees and expenses deduction for conservative fund		<u>120,069</u>	<u>151,419</u>
Changes in net assets available for benefits attributable to members		45,082,209	7,763,136
Net assets available for benefits attributable to members at the beginning of the year		<u>100,585,876</u>	<u>92,822,740</u>
Net assets available for benefits attributable to members at the end of the year		<u>145,668,085</u>	<u>100,585,876</u>

The notes on pages 78 to 117 form part of these financial statements.

Statement of net assets available for benefits - Value Scheme as at 31 March 2021

	Note	2021 HK\$	2020 HK\$
Assets			
Investments	6	144,990,634	99,063,564
Contributions receivables			
- from employers		318,287	311,472
- from members		420,016	653,046
- from other schemes		134,709	-
Interest receivables		1	-
Other receivables		5,409	2,526
Bank balances	7, 9(b)	517,690	775,738
Total assets		<u>146,386,746</u>	<u>100,806,346</u>
Liabilities			
Benefits payables	7	713,166	190,795
Accruals and other payables		5,495	29,675
Total Liabilities (excluding net assets available for benefits attributable to members)		<u>718,661</u>	<u>220,470</u>
Net assets available for benefits attributable to members		<u>145,668,085</u>	<u>100,585,876</u>

Approved and authorised for issue by the Trustee on 20 September 2021.




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

The notes on pages 78 to 117 form part of these financial statements.

Cash flow statement - Value Scheme for the year ended 31 March 2021

	2021 HK\$	2020 HK\$
Cash flows from operating activities		
Net profit/(loss)	27,647,885	(6,479,688)
Adjustments for:		
Net (gain)/loss on investments in constituent funds	(27,647,885)	6,479,688
Interest on bank deposits	(9)	(531)
Fees and expenses deduction for conservative fund	(120,069)	(151,419)
	(120,078)	(151,950)
Payments on purchase of investments	(54,703,020)	(36,475,864)
Proceeds from sale of investments	36,423,835	22,698,614
Increase in other receivables	(2,883)	(60)
(Decrease)/increase in accruals and other payables	(24,180)	17,014
Interest received on bank deposits	9	600
	(18,426,317)	(13,911,646)
Cash flows from financing activities		
Contributions and transfers in received	33,096,928	24,348,755
Benefits paid, transfers out, long service payments and severance payments	(14,928,659)	(10,066,061)
	18,168,269	14,282,694
Net (decrease)/increase in cash and cash equivalents	(258,048)	371,048
Cash and cash equivalents at the beginning of the year	775,738	404,690
Cash and cash equivalents at the end of the year	517,690	775,738
Analysis of balance of cash and cash equivalents		
Bank balances	517,690	775,738

The notes on pages 78 to 117 form part of these financial statements.

Statement of comprehensive income - Constituent funds for the year ended 31 March 2021

		2021											
Note	BEA MPF Conservative Fund HK\$	BEA Growth Fund HK\$	BEA Balanced Fund HK\$	BEA Stable Fund HK\$	BEA Global Equity Fund HK\$	BEA Asian Equity Fund HK\$	BEA Greater China Equity Fund HK\$	BEA Greater China Tracker Fund HK\$	BEA Hong Kong Tracker Fund HK\$	BEA Global Bond Fund HK\$	BEA Age 65 Plus Fund HK\$	BEA Core Accumulation Fund HK\$	
Income													
Net gain/(loss) on investments	8	-	4,286,659	2,219,293	1,712,110	4,321,739	3,012,351	4,215,542	2,579,342	3,230,345	68,104	278,448	1,949,031
Dividend income		-	-	-	-	-	-	-	-	494,565	-	-	-
Interest income	9(b)	14	5	4	5	3	1	3	-	1	1	-	-
Interest income from financial assets at fair value through profit or loss		173,739	-	-	-	-	-	-	-	-	-	-	-
Exchange gain		-	95	-	-	-	-	-	-	-	-	-	-
Total investment income		<u>173,753</u>	<u>4,286,759</u>	<u>2,219,297</u>	<u>1,712,115</u>	<u>4,321,742</u>	<u>3,012,352</u>	<u>4,215,545</u>	<u>2,579,342</u>	<u>3,724,911</u>	<u>68,105</u>	<u>278,448</u>	<u>1,949,031</u>
Expenses													
Trustee, administration and custodian fees	9(a)	-	43,611	29,624	33,872	32,614	21,756	33,171	13,596	33,981	13,729	10,463	23,061
Investment management fees	9(a)	-	43,611	29,625	33,872	32,614	21,757	33,170	13,595	33,980	13,728	5,658	12,469
Sponsor fees	9(a)	-	43,611	29,625	33,872	32,614	21,757	33,170	13,595	33,980	13,728	10,462	23,061
Safe custody and bank charges		-	-	-	-	-	-	-	-	418	-	-	-
License and registration fees		-	-	-	-	-	-	-	-	4,248	-	-	-
Fund price publication expenses		-	-	-	-	-	-	-	-	-	-	3,619	7,896
Transaction costs		-	-	-	-	-	-	-	5,155	19,147	-	-	-
Total operating expenses		<u>-</u>	<u>130,833</u>	<u>88,874</u>	<u>101,616</u>	<u>97,842</u>	<u>65,270</u>	<u>99,511</u>	<u>45,941</u>	<u>125,754</u>	<u>41,185</u>	<u>30,202</u>	<u>66,487</u>
Changes in net assets attributable to members from operations		<u>173,753</u>	<u>4,155,926</u>	<u>2,130,423</u>	<u>1,610,499</u>	<u>4,223,900</u>	<u>2,947,082</u>	<u>4,116,034</u>	<u>2,533,401</u>	<u>3,599,157</u>	<u>26,920</u>	<u>248,246</u>	<u>1,882,544</u>

Statement of comprehensive income - Constituent funds for the year ended 31 March 2021 (continued)

		2020											
Note	BEA MPF Conservative Fund HK\$	BEA Growth Fund HK\$	BEA Balanced Fund HK\$	BEA Stable Fund HK\$	BEA Global Equity Fund HK\$	BEA Asian Equity Fund HK\$	BEA Greater China Equity Fund HK\$	BEA Greater China Tracker Fund HK\$	BEA Hong Kong Tracker Fund HK\$	BEA Global Bond Fund HK\$	BEA Age 65 Plus Fund HK\$	BEA Core Accumulation Fund HK\$	
Income													
Net (loss)/gain on investments	8	-	(875,235)	(332,526)	(71,815)	(1,057,209)	(635,208)	(263,951)	(536,580)	(2,949,575)	211,652	37,511	(248,710)
Dividend income		-	-	-	-	-	-	-	-	537,765	-	-	-
Interest income	9(b)	2,518	301	180	269	135	41	132	8	30	92	1	7
Interest income from financial assets at fair value through profit or loss		382,167	-	-	-	-	-	-	-	-	-	-	-
Exchange loss		-	(1,299)	-	-	-	-	-	-	-	-	-	-
Total investment income/(loss)		384,685	(876,233)	(332,346)	(71,546)	(1,057,074)	(635,167)	(263,819)	(536,572)	(2,411,780)	211,744	37,512	(248,703)
Expenses													
Trustee, administration and custodian fees	9(a)	-	34,790	22,958	28,658	24,647	15,768	20,092	9,121	30,946	13,091	4,687	13,586
Investment management fees	9(a)	-	34,789	22,959	28,658	24,647	15,767	20,092	9,121	30,946	13,091	2,546	7,387
Sponsor fees	9(a)	-	34,789	22,959	28,657	24,647	15,767	20,092	9,121	30,946	13,091	4,687	13,586
Safe custody and bank charges		-	-	-	-	-	-	-	-	208	-	-	-
License and registration fees		-	-	-	-	-	-	-	-	3,875	-	-	-
Fund price publication expenses		-	-	-	-	-	-	-	-	-	1,640	-	4,720
Transaction costs		-	-	-	-	-	-	-	5,181	18,076	-	-	-
Total operating expenses		-	104,368	68,876	85,973	73,941	47,302	60,276	32,544	114,997	39,273	13,560	39,279
Changes in net assets attributable to members from operations		384,685	(980,601)	(401,222)	(157,519)	(1,131,015)	(682,469)	(324,095)	(569,116)	(2,526,777)	172,471	23,952	(287,982)

The notes on pages 78 to 117 form part of these financial statements.

Statement of assets and liabilities - Constituent funds as at 31 March 2021

		2021											
	Note	BEA MPF Conservative Fund HK\$	BEA Growth Fund HK\$	BEA Balanced Fund HK\$	BEA Stable Fund HK\$	BEA Global Equity Fund HK\$	BEA Asian Equity Fund HK\$	BEA Greater China Equity Fund HK\$	BEA Greater China Tracker Fund HK\$	BEA Hong Kong Tracker Fund HK\$	BEA Global Bond Fund HK\$	BEA Age 65 Plus Fund HK\$	BEA Core Accumulation Fund HK\$
Assets													
Investments	6,9(c)	20,932,564	14,991,467	9,690,597	10,783,869	13,025,713	8,860,977	15,294,224	8,463,720	19,273,850	4,240,746	4,386,971	9,127,985
Amounts receivable on sale of investments		-	-	-	-	-	-	-	-	-	-	471,223	49,948
Amounts receivable on subscriptions		91,068	-	-	-	-	-	-	-	472,419	-	12,165	15,078
Interest, dividend and other receivables		10,063	1	1	1	1	1	1	-	-	-	-	-
Bank balances	9(b)	1,894,710	1,139,413	717,378	974,711	229,013	172,256	448,851	52,970	171,409	105,531	1,196	2,734
Total assets		22,928,405	16,130,881	10,407,976	11,758,581	13,254,727	9,033,234	15,743,076	8,516,690	19,917,678	4,346,277	4,871,555	9,195,745
Liabilities													
Amounts payable on purchase of investments		-	-	-	-	-	-	-	45,040	158,391	-	-	-
Amounts payable on redemptions		202,429	-	-	-	48,275	-	42,793	-	-	-	472,419	52,660
Accruals and other payables		-	13,060	8,521	9,606	10,574	7,236	12,849	4,586	11,740	3,786	3,426	6,800
Total liabilities (excluding net assets attributable to members)		202,429	13,060	8,521	9,606	58,849	7,236	55,642	49,626	170,131	3,786	475,845	59,460
Net assets attributable to members	2(c),4(b)	22,725,976	16,117,821	10,399,455	11,748,975	13,195,878	9,025,998	15,687,434	8,467,064	19,747,547	4,342,491	4,395,710	9,136,285
Represented by:													
Number of units outstanding	4(a)	2,096,575.291	951,361.718	670,979.975	860,253.598	619,873.980	508,708.430	663,098.816	430,997.386	1,296,295.989	392,981.510	365,382.094	652,889.520
Net asset value per unit	4(b)	10.8396	16.9418	15.4989	13.6576	21.2880	17.7430	23.6578	19.6453	15.2338	11.0501	12.0304	13.9936

Approved and authorised for issue by the Trustee on 20 September 2021.




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

Statement of assets and liabilities - Constituent funds as at 31 March 2021 (continued)

		2020											
Note	BEA MPF Conservative Fund HK\$	BEA Growth Fund HK\$	BEA Balanced Fund HK\$	BEA Stable Fund HK\$	BEA Global Equity Fund HK\$	BEA Asian Equity Fund HK\$	BEA Greater China Equity Fund HK\$	BEA Greater China Tracker Fund HK\$	BEA Hong Kong Tracker Fund HK\$	BEA Global Bond Fund HK\$	BEA Age 65 Plus Fund HK\$	BEA Core Accumulation Fund HK\$	
Assets													
Investments	6,9(c)	17,067,094	10,871,052	7,788,795	9,178,819	8,002,341	5,029,726	7,063,918	4,825,620	13,952,250	3,349,989	2,378,943	5,887,874
Amounts receivable on sale of investments		-	-	-	-	-	-	-	-	-	227,275	-	232
Amounts receivable on subscriptions		-	-	-	-	21,969	-	176,680	-	-	136,221	1,316	-
Interest, dividend and other receivables		39,982	2	1	1	1	-	-	-	-	-	-	-
Bank balances	9(b)	1,567,270	997,353	609,609	769,634	112,755	30,632	209,525	115,075	241,988	37,975	13,320	27,762
Total assets		18,674,346	11,868,407	8,398,405	9,948,454	8,137,066	5,060,358	7,450,123	4,940,695	14,194,238	3,751,460	2,393,579	5,915,868
Liabilities													
Amounts payable on purchase of investments		-	388,228	306,721	299,424	-	-	-	112,249	59,506	-	13,197	26,680
Amounts payable on redemptions		21,969	35,843	-	-	-	-	-	-	168,885	176,680	124	1,316
Accruals and other payables		-	9,052	6,403	7,699	6,379	4,109	5,678	2,517	8,207	2,945	1,615	4,009
Total liabilities (excluding net assets attributable to members)		21,969	433,123	313,124	307,123	6,379	4,109	5,678	114,766	236,598	179,625	14,936	32,005
Net assets attributable to members	2(c),4(b)	18,652,377	11,435,284	8,085,281	9,641,331	8,130,687	5,056,249	7,444,445	4,825,929	13,957,640	3,571,835	2,378,643	5,883,863
Represented by:													
Number of units outstanding	4(a)	1,736,490.771	912,599.014	654,379.745	819,183.886	574,171.566	448,638.165	500,278.697	366,833.271	1,123,183.487	328,528.582	215,282.372	543,326.138
Net asset value per unit	4(b)	10.7414	12.5305	12.3556	11.7694	14.1607	11.2702	14.8806	13.1556	12.4269	10.8722	11.0489	10.8293

Approved and authorised for issue by the Trustee on 20 September 2021.




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)
) 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 78 to 117 form part of these financial statements.

Statement of changes in net assets attributable to members - Constituent funds for the year ended 31 March 2021

	2021											
	<i>BEA MPF Conservative Fund HK\$</i>	<i>BEA Growth Fund HK\$</i>	<i>BEA Balanced Fund HK\$</i>	<i>BEA Stable Fund HK\$</i>	<i>BEA Global Equity Fund HK\$</i>	<i>BEA Asian Equity Fund HK\$</i>	<i>BEA Greater China Equity Fund HK\$</i>	<i>BEA Greater China Tracker Fund HK\$</i>	<i>BEA Hong Kong Tracker Fund HK\$</i>	<i>BEA Global Bond Fund HK\$</i>	<i>BEA Age 65 Plus Fund HK\$</i>	<i>BEA Core Accumulation Fund HK\$</i>
Net assets attributable to members at the beginning of the year	18,652,377	11,435,284	8,085,281	9,641,331	8,130,687	5,056,249	7,444,445	4,825,929	13,957,640	3,571,835	2,378,643	5,883,863
Proceeds on subscription of units	12,366,534	2,999,047	2,023,023	2,719,463	4,672,312	1,914,734	7,016,234	2,096,139	7,102,409	5,841,005	2,837,719	3,114,400
Payments on redemption of units	(8,466,688)	(2,472,436)	(1,839,272)	(2,222,318)	(3,831,021)	(892,067)	(2,889,279)	(988,405)	(4,911,659)	(5,097,269)	(1,068,898)	(1,744,522)
Net subscription	3,899,846	526,611	183,751	497,145	841,291	1,022,667	4,126,955	1,107,734	2,190,750	743,736	1,768,821	1,369,878
Changes in net assets attributable to members from operations	173,753	4,155,926	2,130,423	1,610,499	4,223,900	2,947,082	4,116,034	2,533,401	3,599,157	26,920	248,246	1,882,544
Net assets attributable to members at the end of the year	22,725,976	16,117,821	10,399,455	11,748,975	13,195,878	9,025,998	15,687,434	8,467,064	19,747,547	4,342,491	4,395,710	9,136,285

The notes on pages 78 to 117 form part of these financial statements.

Statement of changes in net assets attributable to members - Constituent funds for the year ended 31 March 2021 (continued)

	2020											
	<i>BEA MPF Conservative Fund HK\$</i>	<i>BEA Growth Fund HK\$</i>	<i>BEA Balanced Fund HK\$</i>	<i>BEA Stable Fund HK\$</i>	<i>BEA Global Equity Fund HK\$</i>	<i>BEA Asian Equity Fund HK\$</i>	<i>BEA Greater China Equity Fund HK\$</i>	<i>BEA Greater China Tracker Fund HK\$</i>	<i>BEA Hong Kong Tracker Fund HK\$</i>	<i>BEA Global Bond Fund HK\$</i>	<i>BEA Age 65 Plus Fund HK\$</i>	<i>BEA Core Accumulation Fund HK\$</i>
Net assets attributable to members at the beginning of the year	18,898,844	10,613,004	6,710,649	8,647,869	7,497,966	4,575,196	6,527,761	4,769,326	14,976,583	4,021,250	1,221,239	3,306,315
Proceeds on subscription of units	6,228,301	3,081,870	2,325,369	2,315,438	2,739,937	2,080,578	2,608,287	1,862,550	6,508,342	2,195,854	1,175,849	3,353,490
Payments on redemption of units	(6,859,453)	(1,278,989)	(549,515)	(1,164,457)	(976,201)	(917,056)	(1,367,508)	(1,236,831)	(5,000,508)	(2,817,740)	(42,397)	(487,960)
Net (redemption)/subscription	(631,152)	1,802,881	1,775,854	1,150,981	1,763,736	1,163,522	1,240,779	625,719	1,507,834	(621,886)	1,133,452	2,865,530
Changes in net assets attributable to members from operations	384,685	(980,601)	(401,222)	(157,519)	(1,131,015)	(682,469)	(324,095)	(569,116)	(2,526,777)	172,471	23,952	(287,982)
Net assets attributable to members at the end of the year	18,652,377	11,435,284	8,085,281	9,641,331	8,130,687	5,056,249	7,444,445	4,825,929	13,957,640	3,571,835	2,378,643	5,883,863

The notes on pages 78 to 117 form part of these financial statements.

Notes to the financial statements

(Expressed in Hong Kong dollars)

1 The Scheme

BEA (MPF) Value Scheme (the “Scheme”) is established and governed by its trust deed dated 17 August 2012, as amended (the “Trust Deed”). The Scheme is registered under section 21 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 2021:

- BEA MPF Conservative Fund
- BEA Growth Fund
- BEA Balanced Fund
- BEA Stable Fund
- BEA Global Equity Fund
- BEA Asian Equity Fund
- BEA Greater China Equity Fund
- BEA Greater China Tracker Fund
- BEA Hong Kong Tracker Fund
- BEA Global Bond Fund
- BEA Age 65 Plus Fund
- BEA 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 period, unless otherwise stated.

Changes to significant accounting policies are described in note 3.

2 Summary of significant accounting policies (continued)

(a) Statement of compliance

These 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 (“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, 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 scheme. 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 from 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 redemption, amounts payable for purchase of investments and 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 unrealised 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 using the effective interest method. 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 its constituent funds; 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, bank balances, amounts receivable from sales of investments, amounts receivable on subscriptions and 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 redemption.

(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 2020 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 MPF Conservative Fund</i>		<i>BEA Growth Fund</i>		<i>BEA Balanced Fund</i>		<i>BEA Stable Fund</i>		<i>BEA Global Equity Fund</i>	
	2021 Units	2020 Units	2021 Units	2020 Units	2021 Units	2020 Units	2021 Units	2020 Units	2021 Units	2020 Units
Balance at the beginning of the year	1,736,490.771	1,794,681.225	912,599.014	780,906.739	654,379.745	519,788.239	819,183.886	724,223.068	574,171.566	468,817.661
Units issued	1,143,465.334	585,846.779	194,813.634	225,075.225	139,857.462	176,255.686	208,230.291	189,915.320	248,854.361	164,065.286
Units redeemed	(783,380.814)	(644,037.233)	(156,050.930)	(93,382.950)	(123,257.232)	(41,664.180)	(167,160.579)	(94,954.502)	(203,151.947)	(58,711.381)
Balance at the end of the year	<u>2,096,575.291</u>	<u>1,736,490.771</u>	<u>951,361.718</u>	<u>912,599.014</u>	<u>670,979.975</u>	<u>654,379.745</u>	<u>860,253.598</u>	<u>819,183.886</u>	<u>619,873.980</u>	<u>574,171.566</u>
	<i>BEA Asian Equity Fund</i>		<i>BEA Greater China Equity Fund</i>		<i>BEA Greater China Tracker Fund</i>		<i>BEA Hong Kong Tracker Fund</i>		<i>BEA Global Bond Fund</i>	
	2021 Units	2020 Units	2021 Units	2020 Units	2021 Units	2020 Units	2021 Units	2020 Units	2021 Units	2020 Units
Balance at the beginning of the year	448,638.165	359,133.783	500,278.697	421,299.185	366,833.271	325,661.600	1,123,183.487	1,004,630.788	328,528.582	383,668.935
Units issued	118,164.790	162,084.747	294,487.776	166,048.976	123,841.156	125,997.993	505,363.032	473,409.986	516,472.676	202,531.741
Units redeemed	(58,094.525)	(72,580.365)	(131,667.657)	(87,069.464)	(59,677.041)	(84,826.322)	(332,250.530)	(354,857.287)	(452,019.748)	(257,672.094)
Balance at the end of the year	<u>508,708.430</u>	<u>448,638.165</u>	<u>663,098.816</u>	<u>500,278.697</u>	<u>430,997.386</u>	<u>366,833.271</u>	<u>1,296,295.989</u>	<u>1,123,183.487</u>	<u>392,981.510</u>	<u>328,528.582</u>
	<i>BEA Age 65 Plus Fund</i>		<i>BEA Core Accumulation Fund</i>							
	2021 Units	2020 Units	2021 Units	2020 Units						
Balance at the beginning of the year	215,282.372	113,712.319	543,326.138	292,078.326						
Units issued	239,372.247	105,327.005	242,063.914	292,033.098						
Units redeemed	(89,272.525)	(3,756.952)	(132,500.532)	(40,785.286)						
Balance at the end of the year	<u>365,382.094</u>	<u>215,282.372</u>	<u>652,889.520</u>	<u>543,326.138</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 MPF Conservative Fund</i>		<i>BEA Growth Fund</i>		<i>BEA Balanced Fund</i>		<i>BEA Stable Fund</i>		<i>BEA Global Equity Fund</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</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>22,725,976</u>	<u>18,652,377</u>	<u>16,117,821</u>	<u>11,435,284</u>	<u>10,399,455</u>	<u>8,085,281</u>	<u>11,748,975</u>	<u>9,641,331</u>	<u>13,195,878</u>	<u>8,130,687</u>
Net assets attributable to members per unit	<u>10.8396</u>	<u>10.7414</u>	<u>16.9418</u>	<u>12.5305</u>	<u>15.4989</u>	<u>12.3556</u>	<u>13.6576</u>	<u>11.7694</u>	<u>21.2880</u>	<u>14.1607</u>
	<i>BEA Asian Equity Fund</i>		<i>BEA Greater China Equity Fund</i>		<i>BEA Greater China Tracker Fund</i>		<i>BEA Hong Kong Tracker Fund</i>		<i>BEA Global Bond Fund</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</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>9,025,998</u>	<u>5,056,249</u>	<u>15,687,434</u>	<u>7,444,445</u>	<u>8,467,064</u>	<u>4,825,929</u>	<u>19,747,547</u>	<u>13,957,640</u>	<u>4,342,491</u>	<u>3,571,835</u>
Net assets attributable to members per unit	<u>17.7430</u>	<u>11.2702</u>	<u>23.6578</u>	<u>14.8806</u>	<u>19.6453</u>	<u>13.1556</u>	<u>15.2338</u>	<u>12.4269</u>	<u>11.0501</u>	<u>10.8722</u>
	<i>BEA Age 65 Plus Fund</i>		<i>BEA Core Accumulation Fund</i>							
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>						
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>						
Net assets attributable to members	<u>4,395,710</u>	<u>2,378,643</u>	<u>9,136,285</u>	<u>5,883,863</u>						
Net assets attributable to members per unit	<u>12.0304</u>	<u>11.0489</u>	<u>13.9936</u>	<u>10.8293</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 MPF Conservative Fund is to achieve a minimum rate of return while maintaining stability of the principal amount invested.

The investment objective of BEA 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 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 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 lower exposure to global equities to provide modest potential for capital appreciation.

5 Financial risk management (continued)

Strategy in using financial instruments (continued)

The investment objective of BEA Global Equity Fund is to provide investors with long-term capital growth through investing in a diversified global portfolio.

The investment objective of BEA Asian Equity Fund is to achieve long-term capital appreciation within a controlled risk/return framework through investing mainly in Asian (ex-Japan) equities.

The investment objective of BEA Greater China Equity Fund is to provide investors with long-term capital growth through exposure to the Greater China equity markets.

The investment objective of BEA Greater China Tracker Fund is to provide investment returns, before fees and expenses, that closely correspond to the performance of the FTSE Greater China HKD Index.

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

The investment objective of BEA Global Bond Fund is to provide investors with total investment returns over the medium to long-term through investing into a diversified range of global bonds.

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

The investment objective of BEA 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.

5 Financial risk management (continued)

(a) Market risk (continued)

(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.

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. All 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 dollar ("USD") which is pegged to HKD.

(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. Indirect interest rate risk from underlying collective investment schemes are managed by the Investment Manager. 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

Except for BEA MPF Conservative Fund, BEA Greater China Tracker Fund and BEA Hong Kong Tracker Fund, all the constituent funds invest in approved pooled investment funds only. The Investment Manager projects the possible price movement of the underlying investment funds based on historical experience. If the underlying investment funds' prices had changed by the following percentages, which are based on the Investment Manager's best estimate of potential price movement of the underlying investment funds, 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 2020.

	<i>BEA Growth Fund</i>		<i>BEA Balanced Fund</i>		<i>BEA Stable Fund</i>		<i>BEA Global Equity Fund</i>	
	2021	2020	2021	2020	2021	2020	2021	2020
Upward price movement of the underlying investment funds	<u>42%</u>	<u>9%</u>	<u>32%</u>	<u>8%</u>	<u>21%</u>	<u>7%</u>	<u>53%</u>	<u>11%</u>
Estimated increase in net assets attributable to members and changes in net assets attributable to members from operations	<u>HK\$ 6,296,416</u>	<u>HK\$ 978,395</u>	<u>HK\$ 3,100,991</u>	<u>HK\$ 623,104</u>	<u>HK\$ 2,264,613</u>	<u>HK\$ 642,517</u>	<u>HK\$ 6,903,628</u>	<u>HK\$ 880,257</u>
	<i>BEA Asian Equity Fund</i>		<i>BEA Greater China Equity Fund</i>		<i>BEA Global Bond Fund</i>		<i>BEA Age 65 Plus Fund</i>	
	2021	2020	2021	2020	2021	2020	2021	2020
Upward price movement of the underlying investment funds	<u>60%</u>	<u>10%</u>	<u>62%</u>	<u>4%</u>	<u>3%</u>	<u>5%</u>	<u>10%</u>	<u>4%</u>
Estimated increase in net assets attributable to members and changes in net assets attributable to members from operations	<u>HK\$ 5,316,586</u>	<u>HK\$ 502,973</u>	<u>HK\$ 9,482,419</u>	<u>HK\$ 282,557</u>	<u>HK\$ 127,222</u>	<u>HK\$ 161,644</u>	<u>HK\$ 438,697</u>	<u>HK\$ 95,158</u>
	<i>BEA Core Accumulation Fund</i>							
	2021	2020						
Upward price movement of the underlying investment funds	<u>30%</u>	<u>4%</u>						
Estimated increase in net assets attributable to members and changes in net assets attributable to members from operations	<u>HK\$ 2,738,395</u>	<u>HK\$ 235,515</u>						

5 Financial risk management (continued)

(a) Market risk (continued)

(iii) Other price risk (continued)

Sensitivity analysis (continued)

For BEA MPF Conservative Fund, as it only invests in short-term deposits which are not subject to other price risk, no sensitivity analysis is performed.

For BEA Greater China Tracker Fund and BEA Hong Kong Tracker Fund, the Investment Manager projects the possible movement of the relevant market indices (the “potential movement”) based on historical experience. If the relevant market 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 2020.

	<i>% of possible reasonable shift</i>	<i>Estimated increase 2021 HK\$</i>	<i>Estimated increase 2020 HK\$</i>
BEA Greater China Tracker Fund (note (a))	5%	415,915	230,182
BEA Hong Kong Tracker Fund (note (b))	5%	943,890	698,303

Notes:

(a) 100% FTSE Greater China HKD Index

(b) 100% Hang Seng Total Return Index

Changes in relevant 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 MPF Conservative Fund held short-term deposits as investments. The credit quality of these short-term deposits are expressed as a percentage of investments below:

BEA MPF Conservative Fund

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

Rating (S&P/Moody's)	2021	2020
AA-/Aa3	24.80%	9.39%
A+/A1	24.05%	14.36%
A/A2	8.50%	28.87%
A-/A3	15.55%	18.91%
BBB+/Baa1	18.76%	18.79%
BBB/Baa2	8.34%	9.68%
Total	100.00%	100.00%

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 (the "Bank"). Bankruptcy or insolvency of the custodians and the Bank may cause to Scheme and its constituent funds' execution of their rights with respect to the assets held by the custodians and the Bank to be delayed or limited.

The Investment Manager monitors the credit quality of the custodians and the Bank on an on-going basis.

Other than the outlined above, there were no significant concentrations of credit risk at 31 March 2021 and 2020.

5 Financial risk management (continued)

(b) Credit risk (continued)

Amounts arising from ECLs

Impairment on contributions receivables, interest receivables, bank balances, amounts receivable on sale of investments, amounts receivable on subscriptions and interest, dividend and other receivables 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, bank balances, amounts receivable on sales of investments, amounts receivable on subscriptions and interest, dividend and other receivables.

(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 2021 and 2020, 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

Investments in constituent funds

	2021 HK\$	2020 HK\$
BEA MPF Conservative Fund	22,725,976	18,652,377
BEA Growth Fund	16,117,821	11,435,284
BEA Balanced Fund	10,399,455	8,085,281
BEA Stable Fund	11,748,975	9,641,331
BEA Global Equity Fund	13,195,878	8,130,687
BEA Asian Equity Fund	9,025,998	5,056,249
BEA Greater China Equity Fund	15,687,434	7,444,445
BEA Greater China Tracker Fund	8,467,064	4,825,929
BEA Hong Kong Tracker Fund	19,747,547	13,957,640
BEA Global Bond Fund	4,342,491	3,571,835
BEA Age 65 Plus Fund	4,395,710	2,378,643
BEA Core Accumulation Fund	9,136,285	5,883,863
	<hr/>	<hr/>
Investments at fair value	144,990,634	99,063,564
	<hr/>	<hr/>
Investments at cost	121,300,606	98,638,400
	<hr/>	<hr/>

6 Investments (continued)

(b) Constituent funds

BEA MPF Conservative Fund

	2021 HK\$	2020 HK\$
Short-term deposits	20,932,564	17,067,094
	20,932,564	17,067,094

BEA Growth Fund

	2021 HK\$	2020 HK\$
Approved Pooled Investment Funds	14,991,467	10,871,052
	14,991,467	10,871,052

BEA Balanced Fund

	2021 HK\$	2020 HK\$
Approved Pooled Investment Funds	9,690,597	7,788,795
	9,690,597	7,788,795

BEA Stable Fund

	2021 HK\$	2020 HK\$
Approved Pooled Investment Funds	10,783,869	9,178,819
	10,783,869	9,178,819

6 Investments (continued)

(b) Constituent funds (continued)

BEA Global Equity Fund

	2021 HK\$	2020 HK\$
Approved Pooled Investment Fund	13,025,713	8,002,341

BEA Asian Equity Fund

	2021 HK\$	2020 HK\$
Approved Pooled Investment Funds	8,860,977	5,029,726

BEA Greater China Equity Fund

	2021 HK\$	2020 HK\$
Approved Pooled Investment Fund	15,294,224	7,063,918

BEA Greater China Tracker Fund

	2021 HK\$	2020 HK\$
Approved Index-Tracking Collective Investment Scheme	8,463,720	4,825,620

6 Investments (continued)

(b) Constituent funds (continued)

BEA Hong Kong Tracker Fund

	2021 HK\$	2020 HK\$
Approved Index-Tracking Collective Investment Scheme	19,273,850	13,952,250

BEA Global Bond Fund

	2021 HK\$	2020 HK\$
Approved Pooled Investment Fund	4,240,746	3,349,989

BEA Age 65 Plus Fund

	2021 HK\$	2020 HK\$
Approved Pooled Investment Fund	4,386,971	2,378,943

BEA Core Accumulation Fund

	2021 HK\$	2020 HK\$
Approved Pooled Investment Fund	9,127,985	5,887,874

Total investments at fair value	139,072,683	95,396,421
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Total investments at cost	115,799,349	94,884,672
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7 Bank balances

As at 31 March 2021, the Scheme placed bank deposits amounted to HK\$517,690 (2020: HK\$775,738).

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.

	<i>Benefits payable</i>	
	2021 HK\$	2020 HK\$
As at beginning of the year	190,795	124,222
Benefits	4,076,252	1,644,808
Transfers out	8,946,782	7,832,429
Long service payments and severance payments	2,427,996	655,397
Benefits paid, transfers out, long service payments and severance payments paid	<u>(14,928,659)</u>	<u>(10,066,061)</u>
As at the end of the year	<u>713,166</u>	<u>190,795</u>

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

(a) The Scheme

	2021 HK\$	2020 HK\$
Change in unrealised gain/(loss) in value of constituent funds	23,264,862	(8,099,515)
Realised gain on sale of constituent funds	<u>4,383,023</u>	<u>1,619,827</u>
Net gain/(loss) on investments in constituent funds	<u>27,647,885</u>	<u>(6,479,688)</u>

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

(b) Constituent funds

	<i>BEA MPF Conservative Fund</i>		<i>BEA Growth Fund</i>		<i>BEA Balanced Fund</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Change in unrealised gain/(loss) in value of investments	-	-	3,106,097	(1,284,435)	1,481,864	(590,834)
Realised gain on sale of investments	-	-	1,180,562	409,200	737,429	258,308
Net gain/(loss) on investments	-	-	4,286,659	(875,235)	2,219,293	(332,526)
	<i>BEA Stable Fund</i>		<i>BEA Global Equity Fund</i>		<i>BEA Asian Equity Fund</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Change in unrealised gain/(loss) in value of investments	913,755	(304,096)	3,746,694	(1,110,761)	2,911,170	(682,604)
Realised gain on sale of investments	798,355	232,281	575,045	53,552	101,181	47,396
Net gain/(loss) on investments	1,712,110	(71,815)	4,321,739	(1,057,209)	3,012,351	(635,208)
	<i>BEA Greater China Equity Fund</i>		<i>BEA Greater China Tracker Fund</i>		<i>BEA Hong Kong Tracker Fund</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Change in unrealised gain/(loss) in value of investments	3,477,894	(449,132)	2,392,396	(742,176)	2,947,584	(3,079,669)
Realised gain on sale of investments	737,648	185,181	186,946	205,596	282,761	130,094
Net gain/(loss) on investments	4,215,542	(263,951)	2,579,342	(536,580)	3,230,345	(2,949,575)

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

(b) Constituent funds (continued)

	<i>BEA Global Bond Fund</i>		<i>BEA Age 65 Plus Fund</i>		<i>BEA Core Accumulation Fund</i>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Change in unrealised (loss)/gain in value of investments	(152,982)	33,786	198,850	34,294	1,738,263	(280,403)
Realised gain/(loss) on sale of investments	<u>221,086</u>	<u>177,866</u>	<u>79,598</u>	<u>3,217</u>	<u>210,768</u>	<u>31,693</u>
Net gain/(loss) on investments	<u>68,104</u>	<u>211,652</u>	<u>278,448</u>	<u>37,511</u>	<u>1,949,031</u>	<u>(248,710)</u>

9 Transactions with related parties

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

(a) Management fees

“Management fees” include trustee, administration and custodian fees, investment management fees (including fees based on fund performance, if any) and sponsor fees paid to Sponsor of the Scheme for providing their services to the relevant Constituent Fund.

The Sponsor, The Bank of East Asia, Limited, is entitled to receive trustee, administration and custodian fees, investment management fees and sponsor 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 the 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 custodian fees payable 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 fees are calculated and accrued on each valuation day and payable monthly in arrears.

9 Transactions with related parties (continued)

(a) Management fees (continued)

The breakdown of the management fees payable out of the constituent funds is as follows:

<i>Name of Constituent Fund</i>	<i>Sponsor⁽³⁾ (p.a. of NAV)</i>	<i>Trustee/ Administrator/ Custodian⁽³⁾ (p.a. of NAV)</i>	<i>Investment Manager⁽³⁾ (p.a. of NAV)</i>	<i>Total (p.a. of NAV)</i>
BEA MPF Conservative Fund ⁽¹⁾	0.264%	0.263%	0.263%	0.79%
BEA Growth Fund	0.30%	0.30%	0.30%	0.90%
BEA Balanced Fund	0.30%	0.30%	0.30%	0.90%
BEA Stable Fund	0.30%	0.30%	0.30%	0.90%
BEA Global Equity Fund	0.30%	0.30%	0.30%	0.90%
BEA Asian Equity Fund	0.30%	0.30%	0.30%	0.90%
BEA Greater China Equity Fund	0.30%	0.30%	0.30%	0.90%
BEA Greater China Tracker Fund	0.20%	0.20%	0.20%	0.60%
BEA Hong Kong Tracker Fund	0.20%	0.20%	0.20%	0.60%
BEA Global Bond Fund	0.30%	0.30%	0.30%	0.90%
BEA Age 65 Plus Fund ⁽²⁾	0.295%	0.295%	0.16%	0.75%
BEA Core Accumulation Fund ⁽²⁾	0.295%	0.295%	0.16%	0.75%

⁽¹⁾ For BEA MPF Conservative Fund, the management fees are 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 Age 65 Plus Fund and BEA Core Accumulation Fund, management fees payable can only be charged as a percentage of the net asset value of the fund. These management 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) Management fees (continued)

The management fees charged for the year are disclosed in the statement of comprehensive income. As at 31 March, the management fees payables were as follows:

	2021 HK\$	2020 HK\$
BEA Growth Fund	<u>13,060</u>	<u>9,052</u>
BEA Balanced Fund	<u>8,521</u>	<u>6,403</u>
BEA Stable Fund	<u>9,606</u>	<u>7,699</u>
BEA Global Equity Fund	<u>10,574</u>	<u>6,379</u>
BEA Asian Equity Fund	<u>7,236</u>	<u>4,109</u>
BEA Greater China Equity Fund	<u>12,849</u>	<u>5,678</u>
BEA Greater China Tracker Fund	<u>4,586</u>	<u>2,517</u>
BEA Hong Kong Tracker Fund	<u>10,522</u>	<u>7,286</u>
BEA Global Bond Fund	<u>3,786</u>	<u>2,945</u>
BEA Age 65 Plus Fund	<u>3,060</u>	<u>1,419</u>
BEA Core Accumulation Fund	<u>6,036</u>	<u>3,521</u>

(b) Bank balances

As at 31 March 2021, the Scheme and its constituent funds placed bank deposits amounted to HK\$517,690 and HK\$5,673,343 (2020: HK\$775,738 and HK\$3,829,765) 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\$9 (2020: HK\$531) and HK\$36 (2020: HK\$3,714) respectively. Bank charges incurred are not disclosed as the Trustee considers the amounts immaterial.

9 Transactions with related parties (continued)

(c) 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 Growth Fund</i>	
	<i>2021</i>	<i>2020</i>
	HK\$	HK\$
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	594,084	203,669
BEA Union Investment Asia Strategic Growth Fund - Class A	2,734,236	1,355,315
BEA Union Investment Global Bond Fund - Class A	2,374,622	2,539,121
BEA Union Investment Global Equity Fund - Class A	6,860,100	4,590,093
BEA Union Investment Greater China Growth Fund - Class A	140,307	86,388
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	53,448	23,330
BEA Union Investment Hong Kong Growth Fund - Class A	2,032,115	1,872,466
BEA Union Investment Money Market Fund - Class A	202,555	200,670
	<u>202,555</u>	<u>200,670</u>

9 Transactions with related parties (continued)

(c) Investments (continued)

	<i>BEA Balanced Fund</i>		<i>BEA Stable Fund</i>	
	<i>2021 HK\$</i>	<i>2020 HK\$</i>	<i>2021 HK\$</i>	<i>2020 HK\$</i>
BEA Union Investment Asia Pacific Investment Grade Bond Fund - Class A	599,624	400,561	695,441	554,773
BEA Union Investment Asia Strategic Growth Fund- Class A	1,476,372	666,030	1,069,690	512,091
BEA Union Investment Global Bond Fund - Class A	3,362,737	3,255,755	5,617,864	5,228,809
BEA Union Investment Global Equity Fund - Class A	3,137,163	2,286,799	2,218,791	1,574,029
BEA Union Investment Greater China Growth Fund - Class A	61,711	37,996	52,379	32,250
BEA Union Investment Hong Kong Dollar (HK\$) Bond Fund - Class A	58,185	26,885	63,348	50,937
BEA Union Investment Hong Kong Growth Fund - Class A	859,444	980,668	567,620	731,835
BEA Union Investment Money Market Fund - Class A	135,361	134,101	498,736	494,095
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<i>BEA Global Equity Fund</i>		<i>BEA Asian Equity Fund</i>	
	<i>2021 HK\$</i>	<i>2020 HK\$</i>	<i>2021 HK\$</i>	<i>2020 HK\$</i>
BEA Union Investment Asia Strategic Growth Fund - Class A	-	-	7,330,074	4,155,552
BEA Union Investment Global Equity Fund - Class A	13,025,713	8,002,341	-	-
BEA Union Investment Greater China Growth Fund - Class A	-	-	507,925	214,941
BEA Union Investment Hong Kong Growth Fund - Class A	-	-	1,022,978	659,233
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<i>BEA Greater China Equity Fund</i>		<i>BEA Global Bond Fund</i>	
	<i>2021 HK\$</i>	<i>2020 HK\$</i>	<i>2021 HK\$</i>	<i>2020 HK\$</i>
BEA Union Investment Global Bond Fund - Class A	-	-	4,240,746	3,349,989
BEA Union Investment Greater China Growth Fund - Class A	15,294,224	7,063,918	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<i>BEA Age 65 Plus Fund</i>		<i>BEA Core Accumulation Fund</i>	
	<i>2021 HK\$</i>	<i>2020 HK\$</i>	<i>2021 HK\$</i>	<i>2020 HK\$</i>
BEA Union Investment Age 65 Plus Fund - Class I	4,386,971	2,378,943	-	-
BEA Union Investment Core Accumulation Fund - Class I	-	-	9,127,985	5,887,874
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

9 Transactions with related parties (continued)

(d) Brokerage commission

No brokerage commission was paid to brokers who are associates or delegates of the Trustee or Investment Manager during the year ended 31 March 2021 and 2020.

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 2020/2021 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 2021 and 2020.

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.

15 Soft commission arrangements

During the year ended 31 March 2021, 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 (2020: HK\$Nil).

16 Security lending arrangements

During the year ended 31 March 2021, the Scheme and its constituent funds did not enter into any security lending arrangements (2020: HK\$Nil).

17 Negotiability of assets

As at 31 March 2021, there were no statutory or contractual requirements restricting the negotiability of the assets of the Scheme and its constituent funds (2020: HK\$Nil).

18 Commitments

As at 31 March 2021, the Scheme and its constituent funds had no commitments (2020: HK\$Nil).

19 Contingent liabilities and capital commitment

As at 31 March 2021, there were no contingent liabilities or capital commitments outstanding for the Scheme and its constituent funds (2020: HK\$Nil).

20 Marketing expenses

During the year ended 31 March 2021, 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 (2020: 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

22 Involvement with unconsolidated structured entities (continued)

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.

As at 31 March 2021

	<i>Number of investee funds</i>	<i>Total net assets HK\$ (in thousands)</i>	<i>Carrying amount included in "Investments" HK\$ (in thousands)</i>
BEA Growth Fund			
- Approved Pooled Investment Funds	8	21,394,090	14,991
BEA Balanced Fund			
- Approved Pooled Investment Funds	8	21,394,090	9,691
BEA Stable Fund			
- Approved Pooled Investment Funds	8	21,394,090	10,784
BEA Global Equity Fund			
- Approved Pooled Investment Fund	1	2,223,407	13,026
BEA Asian Equity Fund			
- Approved Pooled Investment Funds	3	9,499,477	8,861
BEA Greater China Equity Fund			
- Approved Pooled Investment Fund	1	2,791,464	15,294
BEA Greater China Tracker Fund			
- Approved Index-Tracking Collective Investment Scheme	1	1,388,910	8,464
BEA Hong Kong Tracker Fund			
- Approved Index-Tracking Collective Investment Scheme	1	94,396,290	19,274
BEA Global Bond Fund			
- Approved Pooled Investment Fund	1	6,663,563	4,241
BEA Age 65 Plus Fund			
- Approved Pooled Investment Fund	1	703,504	4,387
BEA Core Accumulation Fund			
- Approved Pooled Investment Fund	1	1,753,267	9,128

22 Involvement with unconsolidated structured entities (continued)

As at 31 March 2020

	<i>Number of investee funds</i>	<i>Total net assets HK\$ (in thousands)</i>	<i>Carrying amount included in "Investments" HK\$ (in thousands)</i>
BEA Growth Fund			
- Approved Pooled Investment Funds	8	17,005,479	10,871
BEA Balanced Fund			
- Approved Pooled Investment Funds	8	17,005,479	7,789
BEA Stable Fund			
- Approved Pooled Investment Funds	8	17,005,479	9,179
BEA Global Equity Fund			
- Approved Pooled Investment Fund	1	1,481,739	8,002
BEA Asian Equity Fund			
- Approved Pooled Investment Funds	3	6,528,779	5,030
BEA Greater China Equity Fund			
- Approved Pooled Investment Fund	1	1,721,845	7,064
BEA Greater China Tracker Fund			
- Approved Index-Tracking Collective Investment Scheme	1	737,620	4,826
BEA Hong Kong Tracker Fund			
- Approved Index-Tracking Collective Investment Scheme	1	79,674,670	13,952
BEA Global Bond Fund			
- Approved Pooled Investment Fund	1	6,206,930	3,350
BEA Age 65 Plus Fund			
- Approved Pooled Investment Fund	1	537,360	2,379
BEA Core Accumulation Fund			
- Approved Pooled Investment Fund	1	1,125,570	5,888

During the year, the constituent funds did not provide financial support to the 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 Age 65 Plus Fund and BEA 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 2021

	<i>BEA Age 65 Plus Fund</i> HK\$	<i>BEA Core Accumulation Fund</i> HK\$
(a) Payments for services		
Trustee, administration and custodian fees	10,463	23,061
Investment management fees	5,658	12,469
Sponsor fees	10,462	23,061
	26,583	58,591
(b) Out-of-pocket expenses		
Fund price publication expenses	3,619	7,896
	3,619	7,896
(c) Payments other than (a) and (b) above	-	-
Total payments	30,202	66,487
Out-of-pocket expenses expressed as a percentage of net asset value of the DIS constituent funds	0.100%	0.100%

The net asset value used for calculating the percentage is the average of the net asset of the DIS constituent funds as at the last dealing day of each month during the year ended 31 March 2021.

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 2020

	<i>BEA Age 65 Plus Fund HK\$</i>	<i>BEA Core Accumulation Fund HK\$</i>
(a) Payments for services		
Trustee, administration and custodian fees	4,687	13,586
Investment management fees	2,546	7,387
Sponsor fees	4,687	13,586
	11,920	34,559
(b) Out-of-pocket expenses		
Fund price publication expenses	1,640	4,720
	1,640	4,720
(c) Payments other than (a) and (b) above	-	-
Total payments	13,560	39,279
Out-of-pocket expenses expressed as a percentage of net asset value of the DIS constituent funds	0.100%	0.100%

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.

24 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 March 2021

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 2021 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.

	<i>Effective for accounting periods beginning on or after</i>
Annual Improvements to HKFRSs 2018-2020 Cycle	1 January 2022
Amendments to HKAS 1, <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023

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.