

Important note:

1. The Fund is subject to general investment risk, equity market risk, asset allocation risk, Asian market concentration risk, emerging market risk and currency risk.
2. The Fund is subject to equity markets risk such as changes in investment sentiment, political, economic conditions and issuer-specific factors which may adversely affect the fund value.
3. The Fund invests in debts securities and is subject to risks in interest rates, credit/counterparty, downgrading, below investment grade or non-rated securities, volatility and liquidity, valuation and sovereign debt and credit rating risks which may adversely affect the price of the debt securities.
4. The manager may at its discretion make distributions from income and/or capital in respect of the distributing classes of the Fund. Distributions paid out of capital amount to a return or withdrawal of part of the unitholder's original investment or from any capital gains attributable to that original investment. Such distribution may result in an immediate reduction of the net asset value per unit.
5. In terms of currency hedged class units, adverse exchange rate fluctuations between the base currency of the Fund and the class currency of the currency hedged class units may result in a decrease in return and/or loss of capital for unitholders. Over-hedged or under-hedged positions may arise and there can be no assurance that the currency hedged class units will be hedged at all times or that the manager will be successful in employing the hedge.
6. RMB is currently not a freely convertible currency as it is subject to exchange controls and restrictions. Non-RMB based (e.g. Hong Kong) investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example HKD) will not depreciate. Any depreciation of the RMB could adversely affect the value of investors' investments.
7. The Fund may use financial derivative instruments for hedging and investment purposes which may not achieve the intended purpose and may result in significant losses. Risks associated with derivative instruments include counterparty/ credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk.
8. Investors should not make an investment decision based solely on this material.

BEA Union Investment Asia Pacific Multi Income Fund ("APM")

★ ★ ★
Morningstar Overall Rating+

Remain constructive on technology while broadening exposure to materials, energy and healthcare
Highlights:

- Positive on Asian equities; AI winners diversifying to peripheral plays
- South Korea continues to maintain leading positions across a range of industries
- Solid fundamentals and limited new issuance continue to support Asian high-yield bonds

Fund Features

- The Fund aims to capture growth and dividend income opportunities by investing in Asia Pacific equities and bonds.

Market Review & Outlook

Asian equities ex-Japan posted solid gains during the month, although performance varied across markets. South Korea was the best-performing market, followed by Taiwan and Singapore. The trio's outperformance was relatively broad-based, with South Korea mainly led by consumer staples and energy.

The intense unwinding of positions in South Korea, largely by equity hedge funds and leveraged ETFs, seem to have run its course, creating room for the market to stabilise. At the same time, a leading US semiconductor company released upbeat guidance, while several South Korean memory-chip manufacturers announced shareholder return plans. Together with better-than-expected second-quarter earnings, these developments provided further support to the market.

Materials led the outperformance in Taiwan, driven by a manufacturer's record-breaking earnings and still-solid demand for AI-related electronics materials. The overall technology sector reversed the prior month's losses as corporate guidance remained strong amid persistently robust demand across the supply chain.

In Singapore, the market's outperformance was led by strong earnings from select companies. Bank stocks also fared well as investors pursued defensive exposure following the correction in July.

In China, ample market liquidity and continued policy support have enhanced market attractiveness. The implementation of localisation policies may also provide support for selected sectors amid ongoing global trade tensions.

All in all, we remain constructive on Asian equities and see AI remaining on a secular growth path, albeit with the winners diversifying to peripheral plays. We expect sectors supported by improving supply-demand dynamics, favourable policies and structural growth drivers to continue attracting investor interest. While our conviction in South Korea has moderated somewhat from the beginning of the year, its industry leadership, corporate reform progress and structural growth drivers remain intact. As such, it continues to be one of our preferred markets.

Over to fixed income, Asia's dollar bond markets remained resilient in August, with credit spreads trading within a narrow range. New issuance activity slowed overall, although Indian bank bonds continued to see healthy supply that was well absorbed by investor demand. China's technology, media and telecommunications (TMT) credits underperformed, with spreads drifting modestly wider amid limited buying interest, weaker performance by US peers and rich valuations.

Looking ahead, rate volatility may continue to exert pressure on Asian investment-grade credit spreads. However, elevated absolute yields are expected to remain supportive of investor demand. As primary issuance activity picks up again, spreads may widen modestly but are likely to remain range-bound overall.

Separately, we stay constructive on Asian high-yield bonds, which are likely to stay resilient amid solid fundamentals and supply constraints. However, duration-rich and highly-leveraged names remain particularly vulnerable to additional rate volatility.

Investment Strategy

During the month, the fund reduced its exposure to selected information technology holdings and increased its allocation to healthcare to enhance the portfolio's defensive positioning. The fund also added energy-related holdings to strengthen its income allocation, while increasing its exposure to materials through gold- and copper-related stocks to benefit from opportunities arising from higher commodity prices.

Contributors

- Overweight China and Taiwan, China technology stocks: Benefited from the rebound in technology stocks, while strong corporate guidance improved investor sentiment towards AI-related and technology supply chain companies
- Overweight Taiwan, China materials stocks and China H-share materials stocks: The materials sector outperformed amid rising inflation expectations, a stronger US dollar and higher oil prices. Gold- and copper-related holdings delivered strong gains
- Overweight China H-share healthcare stocks: Benefited from corporate earnings that significantly exceeded market expectations

Detractors

No meaningful detractors

Fund Performance

	Cumulative Performance %							Calendar Year Performance %					Volatility %
	YTD	3-Mo	6-Mo	1-Yr	3-Yr	5-Yr	Since Launch	2025	2024	2023	2022	2021	3-Yr (Annualised)
A USD (Acc)	23.2	-9.5	3.1	37.4	78.5	33.4	102.1	24.1	10.7	7.4	-23.5	-0.9	19.4
A RMB Hgd (Acc)*	21.1	-10.1	1.7	33.5	63.5	20.6	48.3	20.4	7.3	4.0	-23.3	1.3	19.2
A USD (Dis)	23.2	-9.5	3.0	37.5	78.6	33.4	126.8	24.2	10.7	7.4	-23.5	-0.8	19.4
A HKD (Dis)	24.1	-9.5	3.3	38.2	78.4	34.4	128.9	24.4	10.2	7.4	-23.4	-0.4	19.4
A AUD Hgd (Dis)*	23.1	-9.4	3.2	37.1	73.3	25.1	61.9	23.1	9.2	5.2	-24.8	-1.3	19.3
A RMB Hgd (Dis)*	21.1	-10.1	1.7	33.6	63.8	20.8	82.7	20.5	7.5	4.0	-23.5	1.4	19.3
A NZD Hgd (Dis)*	21.7	-9.7	2.3	35.3	72.6	27.4	62.4	22.6	10.1	6.6	-24.0	-1.1	19.2
A EUR Hgd (Dis)*	21.9	-9.9	2.2	34.9	69.5	20.7	27.9	22.2	8.8	4.8	-25.5	-2.0	19.2

*Hgd: Hedged.

Fund Code

	ISIN	Bloomberg
A USD (Accumulating)	HK0000122330	BEAPUAA HK
A RMB Hedged (Accumulating)	HK0000282605	BEAARHA HK
A USD (Distributing)	HK0000107257	BEAPMIU HK
A HKD (Distributing)	HK0000107265	BEAPMIH HK
A AUD Hedged (Distributing)	HK0000162815	BEAPAAH HK
A RMB Hedged (Distributing)	HK0000194255	BEAPARH HK
A NZD Hedged (Distributing)	HK0000162849	BEANZDH HK
A EUR Hedged (Distributing)	HK0000405693	BEAAEHD HK

Source: Unless otherwise specified, all data sources are BEA Union Investment & Lipper as of 31 August 2026 • Month-end asset mixes may total greater than/less than 100% due to rounding.

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Performance is calculated in the respective class of denominated currencies on a NAV to NAV basis. Gross income is re-invested. For funds/share classes denominated in foreign currencies, HKD/USD based investors are therefore exposed to foreign exchange fluctuations.

Investment involves risks, including the possible loss of the principal amount invested. Past performance is not indicative of future performance. Investors should refer to the relevant offering documents (including the Key Facts Statement) of the fund for further details including risk factors.

The information contained herein is only a brief introduction to the Fund. Investors should be aware that the price of units may go down as well as up as the investments of the Fund are object to market fluctuations and to the risks inherent in all investments. The information contained in this document is based upon information which BEA Union Investment Management Limited ("BEA Union Investment") considers reliable and is provided on an "as is" basis. BEA Union Investment makes no representations or warranties, express or implied, as to the accuracy or completeness of the above information or that any returns indicated will be achieved. Investors should determine for themselves the relevance of the information. Any forecasts, figures, opinions or investment techniques and strategies presented are for information purposes only and are subject to change without prior notice. This document does not constitute an offer, recommendation or solicitation to buy or sell any securities or financial instruments. Investors should not solely rely on this material to make any investment decision. This document is for distribution solely to persons permitted to receive it and to persons in jurisdictions who may receive it without breaching applicable legal or regulatory requirements. This document must not be reproduced or redistributed without the prior written consent of BEA Union Investment. This material and the mentioned website have not been reviewed by the SFC in Hong Kong.

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